

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI
SOUTHERN DIVISION

CHARLES SPANSEL and JANET SPANSEL PLAINTIFFS

VS. CIVIL ACTION NO.: 1:08CV1516-LG-RHW

STATE FARM FIRE AND CASUALTY CO., DEFENDANTS
and JOHN DOES 1-10

DEPOSITION OF CHARLES SPANSEL, JR.

Taken at the instance of the Defendant, State Farm Fire and Casualty Company, at the offices of Hawkins, Stracener & Gibson, 544 Main Street, Bay St. Louis, Mississippi, on July 14, 2009, beginning at 9:21 a.m.

APPEARANCES:

ROSE HURDER, ESQ.
Hawkins, Stracener & Gibson, PLLC
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Bay St. Louis, Mississippi 39520
COUNSEL FOR PLAINTIFFS

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COUNSEL FOR DEFENDANT

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EXHIBITS

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1 - Second Re-Notice of Deposition	5
2 - Document Entitled Important Information...	37
About Estimating the Replacement Cost of Your Home or Structure and Selecting Your Coverage Amount and Homeowners Renewal Certificate	
3 - Homeowners Declarations Page	37
4 - Mississippi Katrina Resolution Form	85
5 - Letter Dated 09/28/2005 From State Farm to Charles Spansel (Denial Letter)	90

Charles Spansel, Jr. - 07/14/2009

ALSO PRESENT: Mrs. Janet Spansel

REPORTED BY: Sherry L. Purvis, CSR #1566
Certified Court Reporter
134 Mallard Pointe Drive
Madison, Mississippi 39110
(601) 605-0229

Sherry Purvis, CSR - (601) 605-0229

CHARLES SPANSEL,

having been first duly sworn, was examined and testified as follows:

MR. TUCKER: Just as we begin, I presume we can have the same stipulations?

MRS. HURDER: Standard stipulations, yes.

MR. TUCKER: Absolutely.

MRS. HURDER: And plaintiffs would like to read and sign.

MR. TUCKER: Very good.

EXAMINATION BY MR. TUCKER:

Q. Mr. Spansel, I introduced myself to you just a second ago.

A. Uh-huh (affirmative).

Q. My name's Lawrence Tucker. I typically go by Lucky.

A. Okay.

Q. I'm here today as an attorney on behalf of State Farm Fire and Casualty Company.

A. Uh-huh (affirmative).

Q. And I'm here to ask you a series of questions regarding your Hurricane Katrina claim. You're here by agreement today, correct?

A. Yes.

Q. Okay. And we, in fact, filed a second

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1 re-notice of deposition dated for today and for 9:00 this
2 morning, just indicating that we would agree to be here
3 and to conduct this deposition at that time.

4 MR. TUCKER: I just want to make that my first
5 exhibit to the record.

6 (Exhibit 1 marked for identification.)

7 Q. (By Mr. Tucker) And, Mr. Spansel, I heard you
8 say a second ago that this was your first time, so --

9 A. Yes.

10 Q. -- I understand that. And I want to just kind
11 of go over a few of what I consider sort of the ground
12 rules for how a deposition should proceed.

13 A. Sure.

14 Q. One is that I would ask you to give me the
15 opportunity to fully articulate my questions before you
16 begin to answer.

17 A. Okay.

18 Q. It'll be very easy for you to anticipate where
19 some of my questions are going, and I know that in a
20 conversation folks would like to sort of talk over one
21 another. I don't mind, personally. Sherry does. It ties
22 up her fingers. So if you can try to let me get my
23 questions out, I promise to try to let you get your --

24 A. Okay.

25 Q. -- answers out. The other thing I'd ask is

1 before --

2 A. No.

3 Q. -- meaning either you sued someone -- you're
4 okay -- you sued someone or someone sued you?

5 A. No.

6 Q. All right. Sometimes folks when talking about
7 legal actions, they don't consider things like maybe a
8 divorce. Have you ever been a party to a divorce?

9 A. No.

10 Q. Okay. And no sort of criminal problems,
11 anything beyond just a minor traffic ticket?

12 A. No.

13 Q. Okay. Now, you told me, obviously, you have
14 not given a deposition before. But have you ever given
15 testimony under oath, like you're doing here today, you
16 swore an oath to tell the truth?

17 A. No.

18 Q. Okay. In order to come and to give this
19 testimony today, did you review any documents, do anything
20 to prepare, such as that -- not speaking to an attorney,
21 but something that you would have done personally?

22 A. No.

23 Q. Okay. How long have you been married?

24 A. 32 years.

25 MR. TUCKER: Is he right?

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1 that you answer everything verbally. It'll be real easy,
2 again, for me to look across the table and see you nod
3 your head yes and know that it meant a yes, but it doesn't
4 translate so well. So if can just try to remember as we
5 go along to say yes or no, and also to try to avoid the
6 kind of more casual uh-huhs (affirmative) and uh-uhs
7 (negative).

8 A. Okay. I'll -- okay.

9 Q. There you go. All right. Thank you. The last
10 thing, I guess, is just that if you need a break at any
11 time, just call time out. I'm perfectly fine with that.
12 The only thing I would request is that if I've presented
13 you with a question, you go ahead and try to answer that
14 before you take your break. And then if you need to speak
15 to your attorney or whatever you'd like to do, that would
16 be fine.

17 A. I can do that.

18 Q. Thank you. Would you please state your full
19 name and date of birth for the record?

20 A. Charles William Spansel, Jr.

21 Q. And date of birth?

22 A. January 4th, 1952.

23 Q. A fellow Capricorn.

24 A. Yes.

25 Q. Okay. Have you ever been a party to a lawsuit

1 MRS. SPANSEL: Yeah.

2 Q. (By Mr. Tucker) Do y'all have any children?

3 A. Yes.

4 Q. How many children?

5 A. Four.

6 Q. Okay. Would you go through their names and
7 ages with me?

8 A. Last names also?

9 Q. Yes, sir. If they're married and they have a
10 new last name --

11 A. Okay.

12 Q. -- yes, sir.

13 A. Jennifer Perilloux, P-E-R-I-L-L-O-U-X, 30.
14 Michele Spansel, E-L-E, 27. Amy Spansel -- oh, she just
15 got married recently, Amy Spansel Despot, D-E-S-P-O-T, 25,
16 and Jeffery, J-E-F-F-E-R-Y, Spansel, 22.

17 Q. Okay. And I want to tell you just to make sure
18 I don't make you uncomfortable or unduly uncomfortable. I
19 do want to ask you a few questions about your family and
20 your personal life, just a little bit -- I want to try to
21 get to know you. Part of what I want to do here today is
22 evaluate how you would testify as a witness.

23 A. Okay.

24 Q. I'm also going to ask you a few questions -- I
25 realize y'all have a primary residence in Kenner.

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1 A. Right.

2 Q. I'm going to ask you a few questions about
3 maybe family or friends you may have on the Gulf Coast.
4 Just in case those people would show up on a jury, I'd
5 want to know in advance what kind of connections you have
6 here.

7 A. Okay.

8 Q. So just so you know where I'm going. I don't
9 want you to think I'm just prying for no good reason. Do
10 any of your children still live at home?

11 A. Jeffery.

12 Q. Okay. And did he live with you at the time of
13 the storm?

14 A. Yes.

15 Q. Okay. And the home address in Kenner,
16 Louisiana?

17 A. 74 Verde, V-E-R-D-E, Street.

18 Q. Okay. How long have y'all owned the property
19 at Verde street?

20 A. 19 years.

21 Q. Okay. Is that property also insured by State
22 Farm?

23 A. Yes, it is.

24 Q. Has that been true for the entire 19 years?

25 A. Yes.

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1 Q. Okay. Do Jennifer, Michele or Amy live on the
2 Mississippi Gulf Coast?

3 A. Live on the Mississippi Gulf Coast?

4 Q. Yes, sir.

5 A. Amy and Jeffery stayed there most of the summer
6 prior to the storm.

7 Q. Okay. Describe for me what the purpose of the
8 house in Mississippi was?

9 A. A -- a paradise away from home.

10 Q. Got you.

11 A. A second home.

12 Q. And, I guess, the nature of my question would
13 be like, you know, say, was it a house where the kids
14 lived when they were in school, it was a vacation home, it
15 was a rental property? You know, you might have had
16 various uses for it.

17 A. It -- it was not a rental property. Vacation
18 home. Every time we were there we felt like we were on
19 vacation. It was a family getaway.

20 Q. Okay. When did y'all purchase that home on
21 Sandy Hook Drive?

22 A. In 2000, May of 2000, to be exact.

23 Q. Okay. And you told me that Amy and Jeffery
24 lived in the Mississippi home the summer before the storm.
25 Do any of your children presently live in Mississippi?

Page 11

1 A. No.

2 Q. Okay. Do you have any relatives within just a
3 couple of degrees who live in Mississippi, say up to maybe
4 like second cousins?

5 A. No.

6 Q. Okay. How about any folks that you'd consider
7 close friends that live in Mississippi, you know, whether
8 they be neighbors at the vacation home or whether they
9 just be, you know, folks that you have been associated
10 with for years who have moved this way?

11 A. That live on a permanent basis as their primary
12 residence?

13 Q. Yes, sir.

14 A. Primary resident, Bonnie and Paul Kiff,
15 K-I-F-F. Adrienne and Lance. I know Adrienne prior to
16 her marriage, so what is Adrienne --

17 MRS. SPANSEL: Jones.

18 A. Jones. And may I ask a question if I'm not
19 sure on -- from -- to my wife?

20 Q. (By Mr. Tucker) I'm actually not supposed to
21 let you do that.

22 A. No. Well, that's okay. There's -- there's
23 one -- another couple, but I can't think of their name at
24 the moment.

25 Q. Thanks. What I'll do is --

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1 Q. Okay. Do Jennifer, Michele or Amy live on the
2 Mississippi Gulf Coast?

3 A. Live on the Mississippi Gulf Coast?

4 Q. Yes, sir.

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19 vacation. It was a family getaway.

20 Q. Okay. When did y'all purchase that home on
21 Sandy Hook Drive?

22 A. In 2000, May of 2000, to be exact.

23 Q. Okay. And you told me that Amy and Jeffery
24 lived in the Mississippi home the summer before the storm.
25 Do any of your children presently live in Mississippi?

1 A. I'm --

2 Q. -- I'll --

3 A. -- drawing --

4 Q. -- kind --

5 A. -- a --

6 Q. -- of --

7 A. -- complete blank.

8 Q. -- I'll kind of save that one.

9 A. Okay.

10 Q. And I'll ask again when I have the chance
11 with --

12 A. Okay.

13 Q. -- Mrs. Spansel.

14 A. All right. If I recall to do that, so...

15 Q. Okay. And, again, the reason I'm more
16 concerned with folks who primarily reside here is because
17 they could show up on a jury.

18 A. Okay.

19 Q. I think that folks who might just have a second
20 home would in all likelihood not be some --

21 A. Well --

22 Q. -- of the --

23 A. -- these --

24 Q. -- folks --

25 A. -- are people that would live in this area.

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Page 15

1 Yes.

2 Q. Okay. Do you know which city the Kiffs live
3 in?

4 A. Pass Christian.

5 Q. Okay. And how about the Joneses?

6 A. Gulfport.

7 Q. Okay. I want to ask a little bit about
8 yourself. Where did you grow up?

9 A. New Orleans and Metairie.

10 Q. Okay. And what year did you graduate high
11 school?

12 A. 1970.

13 Q. Okay. Where did you graduate?

14 A. Archbishop Rummel High School.

15 Q. Is that in New Orleans or Metairie?

16 A. It's Metairie.

17 Q. After you graduated high school, did you
18 immediately go into work, or did you go to school?

19 A. School.

20 Q. Okay. Where did you go to school?

21 A. Tulane University.

22 Q. Okay. And what did you study?

23 A. Architecture.

24 Q. Did you get a four-year degree from Tulane?

25 A. I left Tulane after two years, and by my own

1 earned your BBA --

2 A. Uh-huh (affirmative).

3 Q. -- where did you go next?

4 A. I stayed with them for a while.

5 Q. Capital Jewelers?

6 A. Capital Jewelers. Oh, let's see. Give me one
7 moment.

8 Q. Sure.

9 A. I'm trying to --

10 Q. Take your time.

11 A. I'm not quite sure of the dates, but -- but
12 soon thereafter I left and opened my own retail store in
13 the French Quarter in New Orleans.

14 Q. Okay. What was the name of that business?

15 A. Burlap Bag.

16 Q. I'm sorry?

17 A. Burlap Bag.

18 Q. Okay. Do you still own that business today?

19 A. No.

20 Q. Okay. How long was Burlap Bag in operation?

21 A. Two years.

22 Q. And, you know, for my purposes, I'd be
23 perfectly happy with approximations.

24 A. Okay.

25 Q. Around two years?

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1 choice -- I always like to kind of explain that. I
2 actually had a scholarship to my junior year, but I chose
3 to go into business and transferred to Loyola and
4 graduated from Loyola University.

5 Q. Loyola just offered a better business program?

6 A. Tulane did not have an undergraduate program in
7 business.

8 Q. Got you. Were you at Loyola for two years?

9 A. Two years.

10 Q. Okay. And when you were done, was the degree
11 called a BBA, a bachelor of business --

12 A. Correct.

13 Q. -- administration? Okay. Did you work while
14 you were in school?

15 A. Yes.

16 Q. What sort of jobs would you have held down?

17 A. I worked at a place called Capital Jewelers &
18 Distributors.

19 Q. And can I ask what sort of work you would have
20 done for them?

21 A. Retail, but management, assistant manager,
22 different -- in different departments.

23 Q. Okay. Anywhere else?

24 A. At -- after college, no.

25 Q. Okay. When you finished at Loyola, and you

1 A. About.

2 Q. No. That'll be fine. I just --

3 A. Okay.

4 Q. -- don't want you to feel that you're going to
5 be --

6 A. Okay.

7 Q. -- held to some sort of a date there.

8 A. Okay.

9 Q. So for a couple of years --

10 A. Right. Correct.

11 Q. -- you ran and owned --

12 A. Correct.

13 Q. -- Burlap Bag in the French Quarter?

14 A. Correct.

15 Q. Okay. What did you do after that time?

16 A. I opened -- I moved to a bigger location, and I
17 opened up a place called Courtview.

18 Q. And I guess I kind of --

19 A. And --

20 Q. -- assumed --

21 A. -- and they were simultaneous at -- at -- at
22 some point. Okay.

23 Q. Well, tell me -- and I guess I sort of was
24 assuming what you sold at Burlap Bag. What did you sell
25 at Burlap Bag?

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Page 19

1 A. Hmm. Gift items and souvenirs.
 2 Q. Okay. How about at Courtview?
 3 A. Same thing.
 4 Q. Okay. You said a new location. Still in the
 5 French Quarter?
 6 A. Correct.
 7 Q. Okay. And you ran these two businesses
 8 simultaneously for a --
 9 A. Correct.
 10 Q. -- period? Did Courtview then last longer than
 11 Burlap Bag? Did it --
 12 A. Yes.
 13 Q. -- outlive it?
 14 A. Yes, it did. Yeah.
 15 (Off the record.)
 16 Q. (By Mr. Tucker) So you've got a business
 17 called the Burlap Bag, and you're running it for some
 18 time, and then you opened a new location, larger, called
 19 Courtview selling souvenir items in the French Quarter?
 20 A. Correct.
 21 Q. And after the Burlap Bag closed, Courtview
 22 continued to be in operation?
 23 A. Correct.
 24 Q. About how long was Courtview in operation?
 25 A. You -- you are -- you're taxing my memory, but

Page 18

1 I'm going to say approximately five years.
 2 Q. Okay. While you were operating Courtview after
 3 Burlap Bag had --
 4 A. Right.
 5 Q. -- closed, did you open any other businesses?
 6 A. Yes.
 7 Q. Okay. Tell me what else you did.
 8 A. I took another location, even still larger
 9 location.
 10 Q. Changed the name?
 11 A. Toulouse Royale, T-O-U-L-O-U-S-E R-O-Y-A-L-E.
 12 Q. Okay. And continued along the same lines?
 13 A. Yes.
 14 Q. Okay. And just kind of continue to walk me
 15 through, if you will, sort of the history of the
 16 businesses. Is Toulouse Royale still in business?
 17 A. Yes, it is.
 18 Q. Okay. So Toulouse Royale has been consistently
 19 in business now for better than 20 years?
 20 A. Since 1977.
 21 Q. Okay. Better than 30 years?
 22 A. (Witness nods head affirmatively.)
 23 Q. Do you have any other business interests?
 24 A. We are up to five locations.
 25 Q. Okay. All in New Orleans?

1 A. All in the French Quarter, New Orleans.
 2 Q. Okay. And, again, it's souvenir items,
 3 generally speaking?
 4 A. Souvenirs. One of our stores focuses on
 5 pralines, and -- but to -- to generally sum it up, it's
 6 tourist type items tastefully done, not some of the things
 7 you may see on Bourbon Street, let's say, but family
 8 oriented. Yes.
 9 Q. Okay. Got you. Not a bunch of slogan
 10 T-shirts?
 11 A. No.
 12 Q. Okay. Are the five locations -- is each one
 13 individually named?
 14 A. Yes.
 15 Q. Okay. And your primary occupation at this time
 16 is to manage these locations?
 17 A. Correct.
 18 Q. Okay. Other than the home on Sandy Hook and
 19 the one on Verde Street in Kenner, did you own any other
 20 real estate at the time of the storm? I'm sorry. And
 21 also other than your businesses, any residential real
 22 estate?
 23 A. No.
 24 Q. Okay. You purchased the home on Sandy Hook in
 25 2000. Do you recall who you purchased it from?

Page 20

1 A. I do not recall.
 2 Q. Was it an individual whom you knew or had any
 3 sort of relationship with or --
 4 A. No. It was not.
 5 Q. Okay. How did you find out about the property?
 6 A. Friends that live on Sandy Hook called me and
 7 said there was a location for sale.
 8 Q. And were those the Kiffs?
 9 A. No.
 10 Q. Okay. Who called about that location?
 11 A. Cindy Murphy.
 12 Q. Okay. Do you know whether Cindy still lives on
 13 Sandy Hook?
 14 A. She lost her house, also. It was a second
 15 home. They still own the property.
 16 Q. Okay. Do you know who their insurer was?
 17 A. No, I don't.
 18 Q. Okay. So Cindy called and said there's a
 19 property nearby, and it's for sale?
 20 A. Correct.
 21 Q. Were you in the market, or was that kind of a
 22 cold call that surprised you?
 23 A. I was in the market. They wanted us to join
 24 them in Pass Christian.
 25 Q. Is Cindy married?

Page 21

1 A. Yes.
 2 Q. Do you know her husband's name?
 3 A. Dr. Charles Murphy.
 4 Q. Okay. Are they also residents of New Orleans?
 5 A. Of Kenner.
 6 Q. Kenner. I am sorry.
 7 A. That's all right.
 8 Q. Kenner. Okay. Did you purchase the home
 9 through a realtor?
 10 A. Yes, I did.
 11 Q. Do you recall what realtor or which realtor
 12 that was?
 13 A. I think it was Latter & Blum.
 14 Q. Okay. Do you recall which agent you used?
 15 A. The listing agent, but I do not recall his name
 16 at the moment.
 17 Q. Okay. Would you still have documents related
 18 to the purchase of the property?
 19 A. Yes.
 20 Q. Okay. Do you recall whether an appraisal was
 21 performed in connection with the purchase?
 22 A. An appraisal was performed.
 23 Q. Okay. Did you have a mortgage on the home at
 24 the time of the purchase?
 25 A. Yes.

Page 22

1 Q. Okay. Would the lender have prepared the
 2 appraisal?
 3 A. Yes.
 4 Q. Okay. Do you recall who the mortgage was with?
 5 A. It was a local bank. And if I heard the name,
 6 I would remember it, I think, but I do not recall.
 7 Q. Would it be Hancock Bank?
 8 A. No.
 9 Q. Okay. Do you have a mortgage on the property
 10 today?
 11 A. No.
 12 Q. Do you still own the property today?
 13 A. Yes.
 14 Q. Okay. When was the mortgage paid?
 15 A. I can give you a window. I -- I do not
 16 specifically recall a particular date or even year.
 17 Sometime between 2002 and 2004.
 18 Q. So prior to the storm, or at the time of the
 19 storm, there was no mortgage on the property?
 20 A. That's correct.
 21 Q. Am I correct that the State Farm agent was
 22 Mr. Spansel -- I'm sorry -- you're Mr. Spansel -- was
 23 Mr. Saucier?
 24 A. That's correct.
 25 Q. Steve Saucier?

Page 23

1 A. Correct.
 2 Q. Okay. Sorry. How did you come to find
 3 Mr. Saucier?
 4 A. At the time of the purchase, the seller was
 5 insured with State Farm, and Steve Saucier was the agent.
 6 Q. Did you actually meet with Mr. Saucier in
 7 person to discuss the procurement of insurance on the
 8 home?
 9 A. I met with him one time when we were
 10 transferring the -- there was a question whether we're
 11 going to be grandfathered in on the ground floor. He
 12 answered those questions for us, and then we met with him.
 13 Q. I'm sorry. Tell me what you mean by
 14 grandfathered in on the ground floor.
 15 A. It's a two-story house, and I just wanted to
 16 make sure we -- we would have coverage on -- on first and
 17 second floor as the seller did, and he assured us that we
 18 would, and we did.
 19 Q. Okay. So you would have had those discussions
 20 prior to agreeing to use him and State Farm as your
 21 insurer on that --
 22 A. Yes.
 23 Q. -- property? This home was built on a
 24 traditional slab, like a slab foundation?
 25 A. Yes.

Page 24

1 Q. Okay. Not a crawl space and not an elevated
 2 home?
 3 A. Correct.
 4 Q. Okay. And it was a two-story home?
 5 A. Correct.
 6 Q. Okay. Do you have any photographs of the home
 7 prior to the Katrina loss?
 8 A. Many.
 9 Q. Okay. And I have some photos with us that I'm
 10 going to go through with you today. It's my recollection
 11 there are a number of shots of the interior. I don't
 12 recall if there were many of the exterior. As we go
 13 through those, that'll be one of the questions.
 14 A. Okay.
 15 Q. If you find that you can tell me, yeah, I've
 16 got a lot of other photos of the exterior, you know,
 17 showing the condition of the property before the storm,
 18 that's something I'd be interested in comparing and
 19 seeing.
 20 A. Okay.
 21 Q. Were you -- and I ask you, meaning was it you
 22 or your wife or y'all together who were responsible for
 23 procuring the insurance through Mr. Saucier?
 24 A. Yes.
 25 Q. You or your wife or you and your wife together?

Page 25

Page 27

1 A. Me.

2 Q. Okay. And did you work with Mr. Saucier to set
3 the limits for the coverage, or how did you set upon the
4 limits for the coverage?

5 A. As I recall I just went with his
6 recommendations.

7 Q. Okay. Do you know whether you set the limits
8 the same as the prior owner had had them at?

9 A. I'm not sure of that.

10 Q. Okay. I understand that the property was
11 covered for both -- under a homeowner's policy and under a
12 flood policy, correct?

13 A. Correct.

14 Q. Was that always the case? Since the purchase
15 of the home, have you had both policies?

16 A. Oh, yes.

17 Q. Was the flood policy a requirement of the
18 lender, to your recollection?

19 A. That would just be an assumption. I -- I -- I
20 don't know.

21 Q. Some folks lived in areas where the -- in order
22 to have the lienholder loan you the money, it was a
23 requirement that you have the flood insurance. Some folks
24 didn't have that requirement, but still made a conscious
25 decision to purchase a flood policy, and I was just trying

1 A. Correct.

2 Q. Okay. Was that 900 Dean Lee Drive, Unit 406,
3 Baton Rouge?

4 A. Correct.

5 Q. Okay. Is that an apartment?

6 A. It's a condo.

7 Q. Condo. Were you owners of the condo?

8 A. Yes.

9 Q. Okay. Did you purchase that condominium after
10 the storm?

11 A. Yes.

12 Q. Okay. Do you still own it today?

13 A. Yes.

14 Q. So, Mr. Spansel, when you were first speaking
15 to Mr. Saucier regarding the insurance coverage for the
16 Sandy Hook Drive home, you knew that flood insurance was
17 one of the coverages you wanted to procure?

18 A. Yes.

19 Q. Okay. Did you and Mr. Saucier have any
20 conversation that you specifically recall about what the
21 limits of the flood policy should be?

22 A. That I specifically recall? I recall having a
23 conversation setting limits, but specific -- I mean,
24 setting coverage, establishing coverage.

25 Q. Okay. Well, my follow-up question would be:

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Page 28

1 to --

2 A. Well--

3 Q. -- determine which was you?

4 A. Okay. I was concerned. I wanted flood
5 insurance, so I was getting it regardless of what the bank
6 required.

7 Q. Okay. I follow you. The home in Kenner,
8 Louisiana -- is it also insured for flood?

9 A. Yes.

10 Q. Okay. Was the home in Kenner damaged during
11 Hurricane Katrina?

12 A. Yes.

13 Q. Did it sustain flood damage?

14 A. No.

15 Q. Okay. Was it unlivable for a period of time?

16 A. Yes.

17 Q. How long was it in terms of months or years
18 that you were out of the Kenner home?

19 A. We had -- we were able to move in based on the
20 kitchen being completed in October of 2006.

21 Q. Did y'all live -- I have somewhere in my
22 notes -- on Dean Lee Drive in Baton Rouge?

23 A. Yes.

24 Q. Okay. Is that where you resided in between the
25 date of the storm and October of '06?

1 Is there any point in time when you recall going back and
2 reassessing or reevaluating the coverage limits that had
3 been selected?

4 A. The spring of '05, I did go back in. I did not
5 speak with him. There was a woman there. I -- I do not
6 recall her name, and sat with her to discuss coverage, and
7 we did raise our coverage at that time.

8 Q. Both homeowner's and flood or flood alone?

9 A. We discussed both. I don't recall if we raised
10 both. I know there was some change to my coverage in the
11 spring of '05.

12 Q. Okay. What prompted you to go back to the
13 agent in the spring of '05 to discuss your coverage
14 limits?

15 A. A -- a prudent homeowner.

16 Q. Just seemed like the right thing to do?

17 A. We -- we had a -- a flood claim prior, and
18 hurricane season seemed to be a little more active, so I
19 chose to go in and review my coverages.

20 Q. Okay. What I wanted to -- the reason I was
21 asking what prompted you was, among the documents that
22 plaintiffs' counsel produced in this case are a couple --
23 they are labeled Spansel v. State Farm and Bates numbered
24 0309 and 0310. And I just want to show those to you for a
25 minute, and let you tell me if you recognize them, and

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1 maybe if they had anything to do with your decision to go
2 back in and reassess your coverages?

3 MRS. HURDER: (Examining.)

4 A. (Examining.) Do you want me to read this?

5 Q. (By Mr. Tucker) Yes, sir. If you'll take just
6 enough time, as much time as you like, but at least enough
7 time to identify what the documents are discussing. And
8 then my first question would be whether you recall having
9 seen these documents before?

10 A. (Examining.) I'm -- I'm curious at this date
11 that it's prepared, March 21st, 2005, and my timing of
12 visiting with State Farm to reassess my coverage in the
13 spring of '05, as I had previously mentioned. I guess
14 it's quite possible that this may have prompted me in
15 addition to the more active hurricane activity in -- in
16 the prior years.

17 Q. Sure. And so just to sort of identify what
18 we're talking about, the document on page 309 -- it's
19 titled "Important Information...About Estimating the
20 Replacement Cost of Your Home," et cetera. And I believe
21 it basically discusses that a prudent homeowner would at
22 times determine whether or not the coverages are
23 sufficient to replace the home in the event of a total
24 loss and suggests that an agent can assist in
25 accomplishing that. The document certainly speaks for

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1 itself, but that's just kind of a summation. Would you
2 agree that's generally what it says?

3 MRS. HURDER: Objection to the extent counsel
4 is testifying.

5 Q. (By Mr. Tucker) I don't want you to have to
6 summarize the whole thing for me, Mr. Spansel. Is that
7 generally what it says?

8 A. It's concerning -- yeah, it's -- it's -- as I
9 can -- I -- I didn't fully read each word, but it appears
10 that it's urging homeowners to reassess their coverage.

11 Q. Okay. And, in fact, does it say that "If you
12 are unable to obtain a detailed estimate from either of
13 these sources" -- it's giving a couple of sources -- that
14 "your State Farm agent can assist you in" doing that?

15 A. (Examining.) From either of these sources?
16 I'm going to look where the -- where the sources are.
17 Estimates of the home -- "replacement cost can be obtained
18 from a building contractor or a replacement cost
19 appraisal. If you are unable to obtain a detailed
20 estimate...your...agent can assist you..."

21 Q. And my question, Mr. Spansel, is only that not
22 only did it alert you to the fact that you might want to
23 review your coverages, it also alerted you to the fact
24 that a State Farm agent could assist you in that, correct?

25 MRS. HURDER: Objection, misquoting the

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1 witness.

2 Q. (By Mr. Tucker) Is that your understanding of
3 what the document's telling you? It's not a trick
4 question. I promise.

5 A. (Examining.) I mean, it -- it clearly states
6 "your State Farm agent can assist you..."

7 Q. Right.

8 A. Yeah.

9 Q. It says that, right?

10 A. (Witness nods head affirmatively.)

11 Q. Very good. You see I have trouble -- there's a
12 lot of things I'd like to just say, but I really got to
13 try to get you to say them, and so it helps me. That's
14 what the document does say, in fact, it directs to -- if
15 you don't find another source, you can visit your State
16 Farm agent, correct?

17 A. Which I did.

18 Q. Yes, sir, which you did. And the other
19 document, number 310 -- and this was just talking about
20 replacement cost like that first document did -- lists
21 other available coverages, does it not, optional coverages
22 that you could include in your policy?

23 A. (Examining.)

24 Q. And I promise you I have a reason for asking
25 you these questions.

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1 A. I'm sure you do. (Examining.) This document
2 does address the availability of additional coverages.

3 Q. Okay. And one of the additional coverages that
4 I just happen to know is part of this homeowner's policy
5 was called jewelry and furs coverage. There was \$2,500 of
6 coverage available, and that's what you consider an
7 additional coverage. My question is, do you recall
8 whether that additional coverage was something that you
9 had in 2000 or something that you added later on down the
10 line?

11 A. You're -- you're asking me jewelry and furs
12 specifically?

13 Q. Yes, sir. That's an additional coverage that's
14 parts of your homeowner's policy.

15 A. I do not recall if I have jewelry and fur
16 coverage.

17 Q. Okay. Sorry. I guess I sort of assumed
18 something there, so let me go back. I just want to pass
19 to you a document. It's a homeowner's declaration page
20 for the 12-month policy period from May 4th, 2005, to
21 May 4th, 2006. And it's going to show limits of
22 liability, and it also shows some additional coverages
23 available on your policy, and it is plaintiffs Bates
24 number Spansel v. State Farm 0307.

25 MRS. HURDER: (Examining.)

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Q. (By Mr. Tucker) Mr. Spansel, that document, as I said, is what's called a declarations page. It's sort of a summation of what the coverages are. You'll note on the left hand side at the very bottom there, there's an optional coverage available for jewelry and furs.

A. (Examining.)

Q. I believe it's a 15 for an individual item, 2,500 for the aggregate whole. Would you agree that that coverage is available under -- at least it's what reflected on this declarations page?

A. (Examining.) Yes, as -- as printed here. Yes.

Q. Do you recall at any time requesting that additional coverage?

A. No. I do not recall that.

Q. Okay. Would there have been any jewelry or furs in the home at the time of Hurricane Katrina?

A. There were no furs. There was some jewelry, but nothing of any significance.

Q. And that's kind of -- it's a second home, a vacation home.

A. Uh-huh (affirmative).

Q. I would not expect you to keep a lot of valuable jewelry in a home that you didn't primarily reside in. But that coverage was available under your policy, and so my -- yeah, that is my question, and I --

MRS. HURDER: Objection, misquoting the witness.

Q. (By Mr. Tucker) You tell me if it's a fair characterization or not.

A. A small value. No, I said nothing significant. Okay.

Q. Tell me what nothing significant means. If it doesn't mean small value, what does it mean to you?

A. I think I would have to sit down with my wife and prepare a contents list.

Q. Okay. Is that something that you've done, prepared a list of contents lost in this home that you owned and had stored there at the time of Hurricane Katrina?

A. Not a detailed list.

Q. Okay. So you have prepared a list, just not a detailed list?

A. Correct.

Q. Anybody at State Farm in connection with this claim ever request a contents list from you?

MRS. HURDER: Which claim?

A. In -- in regards to this claim?

Q. (By Mr. Tucker) Well, in regards to your Hurricane Katrina claims. I don't mean necessarily under your flood policy or your homeowner's policy. Was a

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go ahead.

A. When -- when you say available, I actually had that coverage?

Q. Yes, sir.

A. Okay.

Q. Yes, sir. And, again, the other documents we showed you -- one prompted you to reevaluate your replacement cost coverage. You went and you visited with your agent, and you reassessed your limits in the spring of '05, correct? The other one -- it mentioned additional coverages. I thought quite possibly you went and discussed things with your agent. Maybe there was a decision to include a coverage like jewelry and furs because something of that nature was being stored at the house. And that's all I really want to confirm is whether there were jewelry and furs stored in the home that were lost during Katrina?

A. To clarify this, you could go back to my earlier policies and see if that was on there.

Q. Yes, sir.

A. All right. I do not recall when that was added. Okay.

Q. You also -- if I understand correctly, you told me that you didn't have any furs at the house, and that any jewelry would have been of a small value?

contents list asked of you following Hurricane Katrina dealing with the Mississippi property?

A. Not a specific list, but we did discuss contents over the phone. He was -- it was generalized categories.

Q. Was that in connection with the adjustment of the flood loss?

A. That's correct.

Q. Okay. And, in fact, were you paid the limits available to you for your flood contents loss?

A. That is correct.

Q. Okay. And were those limits, in fact, \$100,000?

A. That's correct.

Q. Okay. And were you also paid the dwelling limits, structural limits available to you under your flood policy?

A. Yes, we were.

Q. And were those limits, in fact, \$148,400?

A. Yes, they were.

MR. TUCKER: Okay. Let's do a couple of things, just housekeeping. Can I attach nine and ten collectively, and then we'll attach the declaration page separately?

MRS. HURDER: Yes, you may.

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1 (Off the record.)

2 (Exhibits 2-3 marked for identification.)

3 Q. (By Mr. Tucker) When you said that you
4 prepared a general list of lost contents, was that
5 something that you then submitted to State Farm?

6 A. No.

7 Q. Is it something that you have turned over to
8 your attorneys?

9 A. No.

10 Q. Okay. As we go through -- and I'm trying to
11 make notes -- frankly, Mr. Spansel, I think y'all probably
12 have some more information that would be helpful to me
13 that's not yet been produced. And so I'm going to try to
14 keep a going list, but I'm going to ask that you find
15 these things. Turn them over to your attorneys. Give
16 them the opportunity to review them and submit them to me.
17 Something like photographs, a list of lost contents, even
18 a general one, an appraisal, documents related to the
19 purchase of the home -- those would all be things that
20 would assist me and my client in trying to evaluate the
21 claim. So my request to you is to find those documents,
22 present them to your attorneys, and then, hopefully, they
23 can get them to us.

24 A. Specifically the contents, my attorneys do not
25 have. It was never asked of me to provide that. They do

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1 have the documents concerning my home. Okay.

2 Q. All right. Thank you.

3 A. And the appraisal. Yes.

4 Q. Okay. In listing the contents in the general
5 itemization, did you assign dollar values to the loss, or
6 were you merely trying to, you know, create a list of
7 items, or was it a list of items and values? What did you
8 do?

9 A. For the flood claim?

10 Q. No, sir. You said that you prepared a general
11 list that hasn't been presented yet of your contents
12 losses.

13 A. Okay.

14 Q. Correct?

15 A. Correct.

16 Q. Okay. My question is: If I were to see that
17 list right now, would it have values for the losses, or
18 would it just list a bunch of items that were lost in the
19 storm?

20 A. It would have some values.

21 Q. Okay. Did you prepare that list personally, or
22 did Mrs. Spansel prepare it?

23 A. I -- I prepared it.

24 Q. Okay. How would you arrive at the values
25 included on a list like that -- included on your list?

1 A. I would imagine some items would be purchase
2 price, and some would be replacement price where I did not
3 recall the actual purchase price.

4 Q. And in order to determine that, did you do some
5 Internet research or look in catalogs, go to stores?

6 A. No.

7 Q. How did you determine, where you couldn't
8 recall your purchase price, what a replacement cost would
9 be?

10 A. Let me address that this way: That after the
11 hurricane when the flood adjuster, which was with State
12 Farm, called and wanted to address the content part of my
13 coverage, together over the phone, we -- we estimated, to
14 the best of my knowledge at the time and he did not want
15 details, and we arrived at a number well over the \$100,000
16 coverage. At which time he said, stop, that's enough, so
17 I stopped. And he, once again -- I think he -- if I
18 recall correctly, he gave me seven categories --
19 appliances, electronics, linens, upholstered furniture and
20 so on. It -- it may have been more than seven, and I
21 estimated the value of those items. I -- I was -- my
22 homeowner's claim was denied by State Farm, so the list
23 that I was preparing -- this more specific list or
24 detailed list was never followed through because of the --
25 my claim being denied. So I did not spend a lot of time

1 on the Internet or looking for receipts or going through
2 credit card accounts or a checking account trying to come
3 up with that list. If it's required of me now, I'll do
4 that.

5 Q. Okay. Well, let me ask you this: I mean,
6 we've got here as Exhibit No. 3 a declaration page that
7 shows the coverages available for the period that includes
8 Hurricane Katrina.

9 A. Uh-huh (affirmative).

10 Q. If you'll look here under B, coverages and
11 property, you'll see coverage B that says -- I believe it
12 says contents or personal property. I believe the limit
13 is \$103,725. Do you recall that being the limit of
14 contents available to you under your homeowner's policy?

15 A. Do I recall? No. I don't -- I don't have my
16 coverages memorized.

17 Q. Okay. But in the spring of '05, you adjusted
18 your coverages upward -- some coverages you adjusted
19 upward?

20 A. Yes.

21 Q. Okay. Do you recall revisiting your contents
22 coverage?

23 A. I don't recall any specific -- any specific
24 adjustment. I went into -- into the office to sit down
25 with my agent -- at the time was not there. And this

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<p>1 woman, which I can't remember her name, represented my</p> <p>2 agent. We sat down. I told her my concerns, and there</p> <p>3 was some adjustments made. I don't recall the specific</p> <p>4 adjustments.</p> <p>5 Q. Okay. When you say I told her my concerns --</p> <p>6 A. Concerned that I may be underinsured, and we</p> <p>7 raised coverages. We did not lower coverages. Yes.</p> <p>8 Q. Okay. Did you have anything such as an</p> <p>9 appraisal or anything in hand that you were using as a</p> <p>10 guide to help you determine whether you were underinsured</p> <p>11 or not?</p> <p>12 A. No. I did not walk in with any documents.</p> <p>13 Q. Okay. After your purchase of the home -- we</p> <p>14 discussed earlier your purchase, and you told me that an</p> <p>15 appraisal had been prepared as part of the purchase.</p> <p>16 A. Correct.</p> <p>17 Q. Was there ever another appraisal of the home</p> <p>18 between 2000 and the date of loss?</p> <p>19 A. No.</p> <p>20 Q. Was there ever any sort of appraisal as to the</p> <p>21 value of the contents or the personal property contained</p> <p>22 in the home?</p> <p>23 A. No.</p> <p>24 Q. Okay. Since the date of loss, has there ever</p> <p>25 been any sort of appraisal as to the value of the lot?</p>	<p>1 A. -- know a --</p> <p>2 Q. -- question?</p> <p>3 A. -- number. And --</p> <p>4 Q. Yes --</p> <p>5 A. -- I --</p> <p>6 Q. -- sir.</p> <p>7 A. -- certainly fully appreciate that. Yes.</p> <p>8 Q. I just wanted to make sure you didn't think</p> <p>9 anything other than it's a reasonable --</p> <p>10 A. Oh, it's --</p> <p>11 Q. -- question for me to be asking.</p> <p>12 A. -- it's a very reasonable question. I agree.</p> <p>13 (Off the record.)</p> <p>14 Q. (By Mr. Tucker) When you purchased the home,</p> <p>15 did you purchase it, if you recall, above or below its</p> <p>16 appraisal value?</p> <p>17 A. Below the appraisal value.</p> <p>18 Q. Okay. Was it significantly below, or do you</p> <p>19 recall the amount below?</p> <p>20 A. I recall the exact figures, if you would like</p> <p>21 those.</p> <p>22 Q. Absolutely.</p> <p>23 A. Okay.</p> <p>24 Q. Thank you. I didn't want to put you on the</p> <p>25 spot, but that's what I'd love, so... What was --</p>
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<p>1 A. No.</p> <p>2 Q. Am I correct that the home has still not been</p> <p>3 rebuilt?</p> <p>4 A. That is correct.</p> <p>5 Q. Okay. You told me as you were discussing the</p> <p>6 general list prepared in connection with your conversation</p> <p>7 with the flood adjuster that it exceeded the \$100,000 in</p> <p>8 coverage available?</p> <p>9 A. That's correct.</p> <p>10 Q. You have any estimation for me as to what the</p> <p>11 value of the lost contents would be?</p> <p>12 A. I'd think without sitting down specifically</p> <p>13 and -- and trying to remember each and every item, which</p> <p>14 would be difficult, but we -- we were in the house five</p> <p>15 years, so we did accumulate an abundance of property. It</p> <p>16 was a two-story house. I certainly can work to get an</p> <p>17 accurate number. Yeah.</p> <p>18 Q. You understand where I'm coming from, don't</p> <p>19 you --</p> <p>20 A. You --</p> <p>21 Q. -- in --</p> <p>22 A. -- would --</p> <p>23 Q. -- asking --</p> <p>24 A. -- like to --</p> <p>25 Q. -- that --</p>	<p>1 A. The asking price was 285. The purchase price</p> <p>2 was 260, 260,000, and the home appraised for 319,000.</p> <p>3 Q. Do you recall how much the mortgage was on the</p> <p>4 home?</p> <p>5 A. 208,000, give or take a couple thousand.</p> <p>6 Q. Okay. Do you have any recollection as to the</p> <p>7 value of the lot as opposed to the value of the home</p> <p>8 located on the lot?</p> <p>9 A. Although I -- I -- the house was located on</p> <p>10 Sandy Hook, I -- I think the proximity of the house to the</p> <p>11 bridge -- and when I say the bridge, Bay St. Louis</p> <p>12 Bridge -- made that piece of property less desirable. I</p> <p>13 would estimate at that time \$100,000.</p> <p>14 Q. Okay. At the time of the storm --</p> <p>15 A. Yes.</p> <p>16 Q. -- according to Exhibit 3 --</p> <p>17 A. Uh-huh (affirmative).</p> <p>18 Q. -- coverage A for the dwelling is \$138,300.</p> <p>19 That was the amount available for the main structure of</p> <p>20 the home. You stated to me that you thought the mortgage</p> <p>21 at one point was over 200,000, 208,000 to be exact. Had</p> <p>22 you never had the home fully insured?</p> <p>23 MRS. HURDER: Objection. Putting words into</p> <p>24 the witness's mouth.</p> <p>25 A. I -- I looked at my flood coverage. I looked</p>

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1 at my homeowner's coverage. It looked pretty good to me.

2 Q. (By Mr. Tucker) Okay. In the event that a
3 fire had broken out at the home, and the home had just
4 burned to the ground, you would have looked to your
5 homeowner's coverage in that instance, would you not?

6 A. Correct.

7 Q. Okay. And at 138-some thousand dollars for the
8 structure, do you feel that you had enough insurance?

9 A. I would have been left with a slab, and there
10 was some cement structure on the ground floor. But it's
11 quite possible I -- I would have been underinsured in that
12 particular instance.

13 Q. And you don't ever recall lowering the amount
14 of your homeowner's coverage at any time?

15 A. No.

16 Q. Okay. And the only reason I ask is I would
17 have suspected if you had a mortgage of 208,000, give or
18 take, that you would have needed at least 208,000 in
19 coverage. But I assume then some of that is the value of
20 the land, so I just wanted to be sure. It seemed to be a
21 pretty big gulf between the numbers we're talking about
22 here, and what I'm seeing there, but...

23 A. Well -- well, those are the -- those are the
24 accurate figures as I remember them. Initially, there was
25 a mortgage. I ended up paying off the mortgage. Well, I

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1 guess we would have to look back to what the banks
2 required. I do not recall lowering.

3 Q. Okay. Tell me this: At any time during the
4 ownership of the home, did you ever attempt to sell it?

5 A. No.

6 Q. Okay. Did you ever receive any unsolicited
7 offers to purchase the home?

8 A. No.

9 Q. Okay. Did you ever investigate what the value
10 might have been, say an appreciated value of the home
11 during the five years before Katrina?

12 A. I -- I was certainly aware of some other
13 properties, some other homes that were selling in the
14 area, so -- but not specific -- our -- our neighbor had a
15 sale on his home, but -- so I was aware of some increased
16 value.

17 Q. Okay. When y'all purchased the home in 2000 --

18 A. Uh-huh (affirmative).

19 Q. -- did you have furniture that you were able to
20 move in at that time, or did you begin to acquire
21 furniture for the home?

22 A. When we took possession in May of 2000, we did
23 an extensive renovation to the home. If I recall
24 correctly, it wasn't till maybe October that we actually
25 started moving in furniture. And we -- we purchased a

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1 great deal of furniture, but it -- it also -- we also
2 accumulated other pieces as we went forward.

3 Q. Okay. Can you help me -- a description of what
4 your renovation -- the extensive renovation consisted of?

5 A. It -- it seems a little mundane, but I -- I
6 will -- we -- we -- we removed wallpaper. It -- it was a
7 very dated house, so there was plaster work, sheetrock
8 work. We added -- we -- we moved a wall, added a wall,
9 replaced the windows, expanded the porch, a little kitchen
10 renovation, fully painted the interior and exterior,
11 repaired and refinished hardwood floors, put in a new
12 stairwell, lighting, replaced almost all of the lighting,
13 both interior and exterior. It was a major undertaking.
14 Yes.

15 Q. Did you do any of the work yourself?

16 A. No.

17 Q. Do you recall who you -- did you hire, say, a
18 contractor or a builder who then hired other people to do
19 the work?

20 A. We had -- we had many contractors, electrical,
21 plumbing, carpentry, brought in a floor specialist or --
22 yeah.

23 Q. I guess what I'm asking is whether you -- and I
24 think you're telling me you did -- whether you acted as
25 your own general contractor, found your own subcontractors

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1 and put them to work?

2 A. I -- I -- I had a general contractor, I guess,
3 by the name of Bill Nugent.

4 Q. Okay. Nugent?

5 A. Nugent, uh-huh (affirmative).

6 Q. Okay. Do you know whether Bill is still in
7 business?

8 A. He's retired.

9 Q. Okay. Do you know what the name of his company
10 was?

11 A. William Nugent Construction.

12 Q. And I'm asking because my next question is, do
13 you recall how much all of these renovations costs?

14 A. You know, at the -- I'm going to say it's in
15 the -- the -- the range of 65 to \$70,000.

16 Q. Okay. Did you have to take an additional loan
17 from the bank in order to perform the renovations?

18 A. Not -- not that I recall.

19 Q. Okay. The property was insured at the date of
20 your purchase, obviously, in May of 2000?

21 A. Correct.

22 Q. You would have had insurance at the --

23 A. Oh --

24 Q. -- closing?

25 A. -- yes.

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1 Q. Did you reassess the limits of the coverage in
2 October 2000, around the time of the move-in, given the 65
3 to \$70,000 invested in the property?

4 A. What specifically was the question? Did I --

5 Q. Did you revisit whether the insurance coverage
6 was adequate and sufficient in light of the other 65 to
7 70,000 that had been put into the home?

8 A. Not that I recall.

9 Q. Okay. And, frankly, Mr. Spansel, just like in
10 the contents question --

11 A. Right.

12 Q. -- what I'm trying to discover is what the
13 value was at the time of the loss, and so I'm just looking
14 for as much information as I can gather, so...

15 A. (Witness nods head affirmatively.)

16 Q. Okay. Were there any extensions on the
17 property? And what I mean by that is like outbuildings,
18 other structures pertinent to the property, to the main
19 home?

20 A. We just had completed a gazebo in June of 2005.

21 Q. Describe the gazebo for me in some detail.

22 A. It -- the dimensions were 20 by 16 or 20 by 18.
23 Can't quite remember. Only had it for a couple of weeks.
24 It was made out of lumber, pressure treated lumber. It --
25 it -- it had six supports and a roof also made out of

1 Q. Okay. Do you recall the cost of constructing
2 the gazebo?

3 A. At the time that we -- that I contracted for
4 the gazebo we also did some work on the -- on the pier.
5 But limiting it just to the gazebo, I think we would be
6 talking in the neighborhood of 9 to \$10,000.

7 Q. Okay. Would Bill Nugent have built the gazebo?

8 A. No.

9 Q. Okay. Do you recall who did the work on the
10 gazebo?

11 A. Louis Lassabe.

12 Q. Is he similar to Mr. Nugent, a gentleman who
13 owns a construction company?

14 A. Yes.

15 Q. And do you recall the name of his company?

16 A. Just knew it as Louis Lassabe.

17 Q. Okay. Was he local to Pass Christian?

18 A. Yes. Well, not to Pass Christian, but to
19 Gulfport.

20 Q. Okay. Do you recall where Mr. Nugent was out
21 of?

22 A. Gulfport -- a correction. He lives in Gulfport
23 today. At the time that he did the work he was in Bay St.
24 Louis.

25 Q. Okay. When you purchased the property in 2000,

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1 lumber. We did run electrical out to it. Also, I had a
2 boat shed with a lift and -- and a pier and all of that.

3 Q. Okay. Was the gazebo built on a concrete
4 foundation?

5 A. They -- I -- I think it had -- no. It had
6 concrete piers. Yeah.

7 Q. Was the gazebo elevated where you had to walk
8 up some steps to get to it?

9 A. Yes.

10 Q. Okay. Do you recall how many steps up it was?

11 A. Two.

12 Q. Okay. And the piers driven into the ground
13 then were -- there was concrete around the base of those
14 piers?

15 A. Yes.

16 Q. Okay. And was the roof covered in shingle?

17 A. The roof was not fully covered. It was a --
18 let me think of the word here. Can't think of the word.
19 It was not fully covered. It was like a crisscross
20 pattern to filter the sunlight.

21 Q. Oh, I follow you. Would rain have come through
22 the roof?

23 A. Yes.

24 Q. Okay. Like a lattice?

25 A. Lattice.

1 was there already a boat shed lift and pier on the
2 premises?

3 A. Yes.

4 Q. Okay. Did you perform some renovations to the
5 boat shed?

6 A. Not to the boat shed, but to the pier. We
7 expanded the pier twice.

8 Q. Okay. Do you recall -- I presume once was
9 around June of '05?

10 A. (Witness nods head affirmatively.)

11 Q. You told me that you also did some work on the
12 pier.

13 A. Correct.

14 Q. Well, when was the other time that the pier was
15 expanded?

16 A. In June of '05, we did a high pier expansion.
17 Prior to that we did a low pier expansion. 2003, as an
18 estimate. I don't recall the exact time that we did that.

19 Q. That's fine. Do you have any estimate as to
20 how much money was invested in the expansions of the pier?

21 A. I apologize for my stomach --

22 Q. No, that's okay.

23 A. -- growling.

24 Q. I was about to suggest we might take a break.
25 And so if you tell me you have an estimate, we can call

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1 time out.

2 A. Okay. Estimate on the expansion? Let's see.
3 Well, the -- the low pier expansion I'm going to say was
4 \$6,000, and the high pier expansion at the time of the
5 gazebo was maybe \$7,000.

6 MR. TUCKER: Okay. Let's take a break.
7 (A short recess was taken.)

8 Q. (By Mr. Tucker) Mr. Spansel, I want to show
9 you one thing that's been submitted to us in the course of
10 this litigation. It's titled "Plaintiffs Responses to
11 Defendant State Farm Fire and Casualty Company's First Set
12 of Interrogatories." And I just want to ask you to take a
13 look at that with me, and I'll ask you a few questions
14 about it once you've had a chance to sort of review it.

15 A. Okay.

16 MRS. HURDER: (Examining.)

17 Q. (By Mr. Tucker) Generally interrogatories --
18 what occurs is we propounded some questions that we wanted
19 answered, and then we've received responses back to those
20 questions. So you'll see an interrogatory and then a
21 response. We propounded the interrogatory. Your counsel
22 provided us with these responses. You don't have to --

23 A. Okay.

24 Q. -- read every one. I'll draw your attention to
25 a couple.

1 Q. -- and your recollection was a bit vague as to
2 what coverages changed or didn't change. The
3 representation here in your interrogatory responses is
4 that your flood coverages was increased.

5 A. Well, I --

6 Q. Does this refresh your recollection at all? Go
7 ahead.

8 A. I can specifically say that my flood coverage
9 was increased. I have -- I have a good recollection of
10 that because I experienced a -- a flood at the property a
11 year or two prior. My point of going in was to review all
12 my coverages, but I do recall specifically increasing
13 flood.

14 Q. Okay. Do you recall whether during the course
15 of that meeting there was any discussion about the
16 renovations that we identified that Mr. Nugent performed,
17 or the gazebo, if it maybe wasn't even in existence yet,
18 but plans to build additional structures on the property,
19 anything of that nature?

20 A. At the time of the meeting, there were -- there
21 were no plans to -- to build additional structures, I -- I
22 recall. Did I address the -- the improvements made? I
23 don't know if I addressed the specific improvements. I
24 guess, yeah, overall, you know, I -- my house was worth
25 more money. We had more stuff in it, contents, and my

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1 A. Okay.

2 Q. But generally my first question would be have
3 you ever seen these interrogatories before?

4 A. Have I ever seen them? No.

5 Q. Okay. And that's fine. I mentioned to Edward
6 earlier they're unsigned. I asked him to secure
7 signatures. I believe that will happen at one of our
8 breaks, so you'll have an opportunity, Mr. Spansel, to
9 read each one individually, and what you'll be asked to do
10 is verify that these answers are your answers.

11 A. Okay.

12 Q. What I'm going to ask you about in particular
13 is interrogatory number 21, and --

14 A. Uh-huh (affirmative).

15 Q. -- this is going to follow up on some things
16 we've been talking about. You'll see there there was a
17 question posed in number 21 and an answer provided.
18 You'll see that the answer mentions that three to
19 four months before the storm you visited with a female
20 employee of your agent, Mr. Saucier --

21 A. Uh-huh (affirmative).

22 Q. -- and that flood limits were increased. You
23 know, we've talked a few times, now, about what happened
24 at that meeting with the agent --

25 A. Okay.

1 intention was to make sure I was covered.

2 Q. Okay. We can just leave these aside for now --

3 A. Okay.

4 Q. -- unless -- if you want to review them, you're
5 welcome to. But we can move them aside for my purposes.
6 My question now is about the prior flood.

7 A. Okay.

8 Q. Was that in connection with a prior hurricane
9 that had occurred?

10 A. I'm going to have to think -- in thinking back,
11 this was a September, say, a 2002 event, and it was at a
12 time when there was one kind of following another within a
13 four-week span. In -- in the -- the first one that
14 affected the Pass Christian area, we actually had
15 19 inches of water in our -- our ground floor. I do not
16 recall the specific name of the storm. Yeah.

17 Q. Were you affected then by a subsequent event,
18 also, a subsequent hurricane or storm? You said there was
19 a series of them.

20 A. There was a second storm or hurricane that also
21 produced a rise in the tide four weeks after the initial
22 claim.

23 Q. And did that rise in tide push water into the
24 living structure?

25 A. Yes.

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1 Q. Okay. Do you recall how much water went into
2 the home at that time?

3 A. It -- it was -- we -- we had no real way to
4 tell because the damages of the first incident -- we
5 were -- we did not make the repairs yet, so I could not
6 tell. It just made things a little messier.

7 Q. Is it your belief that less water got in on the
8 second occasion than on the first?

9 A. I -- that would be a guess. Sorry.

10 Q. State Farm was your flood -- they administered
11 your flood policy at that time?

12 A. Correct.

13 Q. Describe for me your contacts with State Farm
14 in regards to that flood claim. You obviously called and
15 alerted them to the fact that you had a claim.

16 A. Correct.

17 Q. What would have been the next thing that
18 happened?

19 A. I would -- someone eventually showed up at the
20 house -- an adjuster. I don't think he was local. Maybe
21 out of Oklahoma or Texas, and he assisted in evaluating
22 the claim.

23 Q. Okay. Do you recall what sort of things --
24 well, were you present while he was at the property?

25 A. Yes.

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1 Q. Do you recall what sort of things he did?

2 A. I'm -- I'm not sure I follow the question,
3 but --

4 Q. Sure. I can ask it a different way.

5 A. Okay.

6 Q. For example, did he take measurements and draw
7 a sketch and photograph?

8 A. Yes.

9 Q. Okay. Other than measurements, a sketch and
10 some photographs, do you recall anything else that he did
11 while he was at the property?

12 A. He reviewed the contents. I -- I don't recall
13 anything else specifically. No.

14 Q. I think a sketch, photos and measurements --

15 A. Yeah.

16 Q. -- pretty standard, and you said he reviewed
17 the contents. Do you mean that he -- the contents were
18 all still in the home, correct?

19 A. Some were still in the home, and some were
20 pulled out on the driveway that were unsalvageable, but
21 he -- he -- I made everything available to him to review.

22 Q. And that would be different than the Hurricane
23 Katrina loss where the items simply just didn't exist
24 anymore?

25 A. Exactly.

1 Q. Okay. Did you deal with anyone other than the
2 single adjuster in handling that claim?

3 A. I don't believe.

4 Q. Okay. Was that adjuster polite and
5 professional with you?

6 A. Very much so.

7 Q. Okay. Were you satisfied with the way that
8 State Farm handled that loss?

9 A. Yes.

10 Q. Okay. Other than this flood claim that -- or
11 the two flood claims that we're discussing right now, have
12 you had other claims under homeowner's or flood policies
13 with State Farm in the past? Could be on the Kenner,
14 Louisiana, home, one of your businesses, anything, just
15 other claims.

16 A. I had no other claims on the Sandy Hook
17 property. On the Verde property prior to Katrina we had
18 one wind claim that drove some water in and gave us a
19 little bit of first floor roof damage, minus my
20 deductible. Maybe there was a -- I collected \$2,100 or
21 something like that.

22 Q. Okay. Same question on this one is: Were you
23 satisfied with the way that State Farm handled that wind
24 loss at the Verde property?

25 A. Yes.

1 Q. Are your businesses insured by State Farm?

2 A. No.

3 Q. Okay. State Farm also insured the Verde
4 property at the time of Hurricane Katrina, correct?

5 A. Correct.

6 Q. After you made contact with State Farm and
7 alerted them to the claim in Kenner, were you then
8 contacted by an adjuster?

9 A. Yes.

10 Q. Okay. Did that adjuster conduct an inspection
11 of the property?

12 A. Yes.

13 Q. Were you present for the inspection?

14 A. Yes.

15 Q. Okay. In describing what the adjuster did at
16 the Verde property at Hurricane Katrina, anything
17 different than what we described for the earlier flood
18 claim at Sandy Hook, being a sketch, photos, measurements,
19 reviewed contents losses at the site?

20 A. In reference to that, that was pretty much
21 standard procedure. Yes.

22 Q. Okay. And that was your experience at the
23 Verde property at Hurricane Katrina was that the same
24 procedure you had witnessed at the flood claim in Pass
25 Christian -- the same procedure followed now Hurricane

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<p>1 Katrina at Kenner, Louisiana?</p> <p>2 A. Same procedure, yes.</p> <p>3 Q. Okay. The gentleman who adjusted that loss --</p> <p>4 pleasant, courteous, professional with you?</p> <p>5 A. Yes. But -- but I would have to expand on</p> <p>6 that. My -- my Katrina claim with State Farm on my Verde</p> <p>7 Street property was a difficult process. If I recall, I</p> <p>8 had five adjusters. I -- I'll leave it at that.</p> <p>9 Q. Well, I'll ask you a couple of follow-up --</p> <p>10 A. I'm sure --</p> <p>11 Q. -- questions.</p> <p>12 A. -- I'm sure you will.</p> <p>13 Q. Are you telling that at the end of the day</p> <p>14 you're not satisfied with the way that State Farm handled</p> <p>15 the Verde property loss?</p> <p>16 A. I described to you earlier that I was back in</p> <p>17 my property in October of 2006.</p> <p>18 Q. Yes, sir.</p> <p>19 A. I did not receive my final payment till</p> <p>20 February of 2007. I was not very happy.</p> <p>21 Q. Okay. Did you ever retain an attorney to</p> <p>22 represent you in regards to the Verde property?</p> <p>23 A. No.</p> <p>24 Q. Do you understand what the final payment was</p> <p>25 for in February of '07, like what it represented?</p>	<p>1 to be sure, this is a wind only claim?</p> <p>2 A. Wind only.</p> <p>3 Q. Okay. There was no flooding in --</p> <p>4 A. No --</p> <p>5 Q. -- that --</p> <p>6 A. -- flooding.</p> <p>7 Q. -- area? Okay. The amount that you were</p> <p>8 ultimately paid on the Verde property -- was it sufficient</p> <p>9 to repair that structure?</p> <p>10 A. Yes.</p> <p>11 Q. And the amount that ultimately you were paid</p> <p>12 for the contents at that property, was it sufficient to</p> <p>13 replace the lost contents?</p> <p>14 A. Yes.</p> <p>15 Q. Okay. What I'd like to do is -- I have quite a</p> <p>16 few color photos -- and I'd like to go through them with</p> <p>17 you. I just want to discuss various things, who took</p> <p>18 them, when they were taken, what they reflect.</p> <p>19 A. Okay.</p> <p>20 Q. It's quite a lot of them, so it make take us a</p> <p>21 little time, but I would like to go through them as best</p> <p>22 we can.</p> <p>23 A. Okay.</p> <p>24 Q. They were produced by the plaintiffs in this</p> <p>25 case. They're Bates numbered Spansel v. State Farm 0311,</p>
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<p>1 A. It represented the loss of -- of contents and</p> <p>2 the dollars that it took to make me whole.</p> <p>3 Q. My question, I guess, is this: One of the</p> <p>4 things that is sometimes withheld initially is what's</p> <p>5 called depreciation, so if you have -- and some items are</p> <p>6 depreciated, and then when they're replaced, you get</p> <p>7 another check that represents the difference.</p> <p>8 A. I did get that. That is not the check that I'm</p> <p>9 referring to. I'm referring to a substantial -- a</p> <p>10 substantial payment for the home repair and -- home</p> <p>11 repair.</p> <p>12 Q. Well, what's your understanding of why the</p> <p>13 process took so long? Do you have an understanding as to</p> <p>14 why it took so long?</p> <p>15 MRS. HURDER: Objection.</p> <p>16 A. I wish I knew.</p> <p>17 Q. (By Mr. Tucker) Okay. Let me ask just sort of</p> <p>18 a related question then. Did State Farm request some</p> <p>19 information from you that they were -- represented that</p> <p>20 they were waiting on in order to make this payment?</p> <p>21 A. No.</p> <p>22 Q. Okay. From your perception, did it appear that</p> <p>23 that payment should have been made much earlier?</p> <p>24 A. Yes. It was a fight at every step.</p> <p>25 Q. Okay. And I believe you told me earlier, just</p>	<p>1 and they proceed sequentially through 0380.</p> <p>2 MR. TUCKER: Take a look.</p> <p>3 MRS. HURDER: (Examining.)</p> <p>4 Q. (By Mr. Tucker) Mr. Spansel, if you will --</p> <p>5 A. Uh-huh (affirmative).</p> <p>6 Q. -- do you already know whether you are the</p> <p>7 photographer who took these photos?</p> <p>8 A. I'm the photographer of this first page I'm</p> <p>9 looking at.</p> <p>10 Q. Okay. What I'm going to ask you to do is flip</p> <p>11 kind of through there, and if you see some photographs</p> <p>12 that are not yours or maybe a set of photographs that</p> <p>13 aren't yours, and you can tell me, hey, starting here</p> <p>14 we've got a different photographer. Would you do that for</p> <p>15 me?</p> <p>16 A. (Examining.) This photo doesn't appear to --</p> <p>17 it belongs in -- in this series. I mean, that's -- I'm</p> <p>18 trying to figure out what the heck that is, but I -- I did</p> <p>19 not have any house left, so I don't know what that is.</p> <p>20 Q. It looks to be some sort of a mold growing in</p> <p>21 the corner of a wall and roof, but you're on page 315.</p> <p>22 And y'all didn't have wall or roof left?</p> <p>23 A. No.</p> <p>24 Q. Okay.</p> <p>25 A. (Examining.)</p>

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1 Q. Is that your son, Jeffery --

2 A. Yes, it is.

3 Q. -- on the top photo on 316? And I think he
4 shows up in a few, so I just wanted to be sure that I knew
5 that was him.

6 A. Okay. On 36 -- 16 I'm -- I'm no longer on my
7 property. This is a picture of the bridge. This is not
8 my property. It's a friend of mine. The --

9 Q. Whose property is that?

10 A. Lee Larrieu. This is not my property. This is
11 just some -- something that was -- we found along Sandy
12 Hook.

13 Q. Okay. And that's on 317. And then the other
14 person in the photo with Jeffery is Janet, correct?

15 A. Correct. (Examining.) We walked the
16 neighborhood and took several pictures. This -- this is
17 not my pier, and I do not recall whose pier that is.

18 Q. We're on 318.

19 A. (Examining.) It -- it -- looking at the
20 picture below, I do recall now this is Lee and Stephanie
21 Larrieu's property that we walked over to and photographed
22 pictures with them. This is Stephanie Larrieu with my --
23 my wife on their property.

24 Q. On 319.

25 A. (Examining.) This is still taken from their

1 Q. And tell me what the second floor then
2 comprised.

3 A. Second floor was a outdoor porch, screen porch,
4 covered porch, den or living area, dining area, kitchen,
5 master bedroom with bath, two additional bedrooms and a
6 full bath. (Examining.) Upstairs, downstairs -- so it --
7 both of these are up. That's the set of stairs that we
8 put in. On page 372 there's a picture of Bonnie and Paul
9 Kiff that I just mentioned earlier.

10 Q. Yes, sir. Is that at their property or yours?

11 A. It's my property. They lived across the
12 street. (Examining.) I don't -- do not recognize 380.

13 Q. When you said you don't recognize it, you don't
14 recognize that --

15 A. Well, it's --

16 Q. -- location?

17 A. -- not -- it's not my property, obviously.
18 It's -- it's somewhere along Sandy Hook there.

19 Q. Okay. Do you believe to have been the
20 photographer for all of these photographs?

21 A. Yes.

22 Q. Okay. Thanks. Let me take a look and see if
23 there's a few I might want to select and --

24 A. Sure.

25 Q. -- ask you questions about.

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1 property. I am back on my property on 321. (Examining.)
2 I haven't visited this in a while. This is --

3 Q. Sure. Take your time, and if you need a break,
4 just let me know.

5 A. (Witness cries.) (Examining.) 346 is not my
6 property. Beginning with -- well, 351 and 352 is
7 pre-Katrina before the gazebo because the gazebo was where
8 those two chairs are. (Examining.)

9 Q. These contents items --

10 A. These are contents.

11 Q. Are they first floor?

12 A. Let's see. 353 and 4 are first floor. 355 is
13 second. 56 second. 57 is second. 58 is up and down.
14 This is down. 360 -- this is up. I mean, this is the --
15 the top photo is downstairs. The bottom photo is
16 upstairs, and this is upstairs -- the kitchen. I mean, I
17 can -- I can continue and -- and point out up and down,
18 but this was down, this was up.

19 Q. Well, tell me this --

20 A. Yeah.

21 Q. -- for a second, Mr. Spansel. What was the
22 down, first floor -- what rooms were there, and what were
23 they used for?

24 A. Downstairs was a -- a entranceway, a laundry
25 room, a garage, a den, a kitchenette and a playroom.

1 MRS. HURDER: Did you want to take a break?

2 THE WITNESS: I'm okay.

3 Q. (By Mr. Tucker) Any time, you just let me
4 know.

5 A. I'm fine.

6 Q. On 313 here -- is this at your property?

7 A. Yes, it is.

8 Q. Okay. Those stairs -- if the home had been
9 standing, what stairwell was this? Is that leading up to
10 a front door, for example, or --

11 A. If you were entering from the driveway, you
12 would have entered the ground floor foyer and walked up
13 the set -- set of stairs that I pointed out earlier. If
14 you went around to, quote, the front of the house, the
15 water side of the house, you would have entered these
16 stairs on to a covered porch and then into the premises,
17 so it would be a second floor entrance. Yes.

18 Q. There would not have been a first floor
19 entrance on that side, right?

20 A. Oh, yes, there -- there -- there was a sliding
21 door under the porch.

22 Q. Oh, okay. All right.

23 A. Under this structure, there was a sliding glass
24 door into the playroom.

25 Q. Okay. Would you agree that the photos we

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1 looked at, although we saw some interior photos --
 2 A. Uh-huh (affirmative).
 3 Q. -- we didn't really see a nice exterior shot of
 4 the home before the storm?
 5 A. No. There was not a exterior shot of the home
 6 before the storm, but I do have them.
 7 Q. That would be great.
 8 A. Yes.
 9 Q. If you have some where we could see pretty
 10 clearly what it looked like before the storm --
 11 A. Okay.
 12 Q. -- I'd appreciate that. And then, further, if
 13 you have any that are like, say, pre-renovation,
 14 post-renovation from that early purchase -- or, you know,
 15 that early renovation, I'd appreciate that, as well.
 16 A. (Witness nods head affirmatively.)
 17 Q. On 317 -- I don't think we've gotten to the
 18 LaRose property yet, have we, that's here on 318?
 19 A. We haven't gotten to what property?
 20 Q. Isn't this the LaRose property or your
 21 friends'?
 22 A. Their name is Larrieu, L -- L-A-R-I --
 23 L-A-R-R-I-E-U.
 24 Q. Okay. I'm sorry. 318 -- these are the
 25 photographs of the Larrieu property, correct? That's

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1 where they begin, and then Mrs. Larrieu --
 2 A. Correct.
 3 Q. -- is here? On 319?
 4 A. Correct.
 5 Q. Okay. Here at the bottom of 317, my question
 6 was going to be whether that was your boat?
 7 A. No.
 8 Q. Okay. That's not your boat dock or boat shed
 9 as you described it?
 10 A. That is a random picture further up Sandy Hook.
 11 Q. Okay. Was there any of your pier, boat shed or
 12 lift -- did any of that survive the storm?
 13 A. Yes.
 14 Q. Did you notice any photographs in this
 15 collection of that?
 16 A. Yes.
 17 Q. Okay. Could you help me find a -- just help me
 18 identify which ones are yours.
 19 A. It was the one with Bonnie. That's me.
 20 Q. Okay. This is the bottom of 337. You can see
 21 the bridge, obviously, in the distance.
 22 A. That's me.
 23 Q. Also on the bottom of 339, and both photos on
 24 340. Is this y'all's swimming pool on the top of 337?
 25 A. No. That was my neighbor's, Jay Zainey. Do

1 you want me to proceed?
 2 Q. No, sir. I'm --
 3 A. Okay.
 4 Q. -- sorry. I think that I wanted to see your
 5 dock, and so --
 6 A. Okay.
 7 Q. -- I think I've seen the pier. Are there
 8 additional photos here -- these also of your pier? This
 9 is pre-storm --
 10 A. Pre, right. But the -- the pictures with
 11 Bonnie and Paul Kiff are also from my pier.
 12 Q. Okay. Earlier you told me where the gazebo
 13 ended up being located --
 14 A. Uh-huh (affirmative).
 15 Q. -- and we were looking at page 351 at the
 16 bottom. You said it was where those two chairs are?
 17 A. Those chairs and forward towards the house.
 18 Yes.
 19 Q. And that's your pier to the left of that photo?
 20 A. Yes.
 21 Q. Okay. Is that like a little Post-it note on
 22 there that says pier?
 23 A. I didn't do that, but that -- that is my pier.
 24 Yes.
 25 Q. All right. Okay. Do you recall how old the

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1 roof was at the time of your purchase of the home?
 2 A. No. I -- I don't recall, but it appeared to be
 3 in good shape. And it did not seem to be an issue because
 4 I would have pressed the seller.
 5 Q. Did you make any repairs to the roof at any
 6 time during the five-year ownership prior to the storm?
 7 A. No.
 8 Q. Okay. Did y'all take any preparations to board
 9 up windows or otherwise prepare the house for Hurricane
 10 Katrina?
 11 A. Yes, we did.
 12 Q. Okay. Would you describe for me what you did
 13 to try to ready the home for the storm?
 14 A. We -- we moved a lot of our contents to the
 15 second floor. We also took our -- our -- our boats with
 16 us. We boarded up the sliding glass door and brought all
 17 lawn furniture and anything that -- anything that we could
 18 move, we -- we moved it inside.
 19 Q. How far in advance of the storm was this?
 20 A. Two days. If -- if I recall it hit on Monday.
 21 We did this on Saturday.
 22 Q. Okay. I want to discuss with you your
 23 personal, I guess, story about Hurricane Katrina. So a
 24 couple of days in advance of the storm, where was it your
 25 intent to be during the storm?

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1 A. A couple of days before, my intent was just to
2 be in Kenner.

3 Q. Okay. And so the trip over to Mississippi was
4 simply to ready this property in advance of a hurricane?

5 A. So I would not have to be concerned with
6 readying two properties.

7 Q. Okay. And once you had prepared the home in
8 Mississippi, as you did, as you described, did y'all go
9 become to Kenner?

10 A. Yes.

11 Q. Okay. Were you, in fact, in Kenner when
12 Hurricane Katrina hit?

13 A. No. As -- as the storm approached, we then
14 prepared the Kenner home, boarding up all ground floor
15 windows, bringing in all of the lawn furniture and
16 preparing the house as best we could.

17 Q. Sure.

18 A. And we evacuated to Baton Rouge.

19 Q. Okay. Did you do that on Sunday?

20 A. I would imagine we did that, yeah, Sunday
21 afternoon. Yes.

22 Q. Okay. Did you go to stay with friends, or what
23 were your arrangements in Baton Rouge?

24 A. The first night we stayed -- first two nights
25 we stayed with my -- my daughter and future son-in-law.

1 understood that it took some time. Were all of your
2 additional living expense incurred as a result of the
3 evacuation -- were those paid to your satisfaction
4 ultimately under the Kenner homeowner's policy?

5 A. That -- that -- that was debatable the -- the
6 way you worded it. They made me an offer -- one of my
7 many adjusters, and I could -- I needed the money and
8 because my businesses were also affected in -- in New
9 Orleans, so I -- I took his offer just to -- it -- it
10 seemed a little short of -- of what was appropriately due,
11 but I did -- I did settle with that number.

12 Q. Okay. I feel certain they weren't, but let me
13 make sure. Was there anyone present at the home in
14 Mississippi during the storm?

15 A. No.

16 Q. Okay. Do you know of any neighbors who
17 remained at their homes during the storm?

18 A. Neighbors, no. I -- I did hear of a family
19 that -- that stayed and regretted staying, but, no, I --
20 just specifically, directly, no.

21 Q. Okay. No one, in other words, who would have
22 seen exactly what happened at your loss during the storm?

23 A. That is correct.

24 Q. Okay. And have you seen any videos, for
25 example, that purport to be of your home or your

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1 Q. Where did y'all go after that?

2 A. Then we -- it was -- oh, then we stayed a night
3 or two at my -- my -- my daughter's boyfriend's apartment
4 because no one was there. They had gone to Lafayette, so
5 that was available. After the hurricane struck, which
6 was -- well, it's obvious when that happened. When I
7 realized -- I -- I guess I must have gone back to Kenner
8 to see my house, and realizing that it was unlivable, I
9 purchased a condo. I -- I -- I rented two apartments or
10 reserved two apartments, and then eventually gave them to
11 my friends who did not have housing, and I bought a condo.

12 Q. Okay. And y'all remained in the condo until
13 you moved back into Kenner in October of '06? I believe
14 is --

15 A. Correct.

16 Q. -- correct. And claims for expenses incurred
17 during this period of time --

18 A. Uh-huh (affirmative).

19 Q. -- after the evacuation before the move-in --

20 A. Correct.

21 Q. -- did you claim those under the homeowner's
22 policy on the Kenner property?

23 A. Correct.

24 Q. Okay. And I asked you earlier whether you had
25 been paid for your contents and your dwelling, and I

1 neighborhood taken during the storm?

2 A. No.

3 Q. Okay. Has anyone presented you with any
4 photographs that purport to be Hurricane Katrina in your
5 neighborhood or at your home during the storm?

6 A. No.

7 Q. Okay. We looked earlier at the answers to
8 interrogatories.

9 A. Sure.

10 Q. I have another question about interrogatory
11 number eight. You'll just see there a listing, (a)
12 through (l), of various videos. Are any of those
13 videos -- you know, have you seen them, are you aware of
14 them, is basically my question?

15 A. (Examining.) I heard about a St. Stanislaus
16 video. That's the only one, but I never saw it.

17 Q. Okay. How far is your home from St.
18 Stanislaus?

19 A. Oh, on the other side of the bay, so a
20 substantial distance.

21 Q. Okay. All right. Thank you. So am I correct
22 that within a couple of days of the storm you would have
23 returned to the Kenner property?

24 A. Yes.

25 Q. How long was it before you came to Mississippi?

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1 A. A week, as I recall.
 2 Q. Sure.
 3 A. I -- I -- it was very hectic back then. I -- I
 4 don't have an exact date.
 5 Q. Okay. Had you already discussed what you were
 6 going to find with neighbors, friends, people who had been
 7 to Sandy Hook?
 8 A. I -- I Googled my property at the time it was
 9 available on-line, and it appeared -- little did I know I
 10 was looking at a slab -- it appeared that it was there, so
 11 I was very hopeful.
 12 Q. When you arrived at the property about a week
 13 after the storm, who was with you?
 14 A. My wife and son.
 15 Q. Okay. These photographs -- were they taken
 16 during that first visit to the property?
 17 A. As I remember, that was my first time there.
 18 Yes.
 19 Q. Okay. And when I said these photographs, I
 20 wasn't clear, but the ones that we've discussed earlier,
 21 Bates 311 through 380.
 22 A. Uh-huh (affirmative).
 23 Q. Your recollection is that you would have taken
 24 these photographs on that initial visit to the property?
 25 A. That would be something I would have to check

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1 with my wife, whether her and I went, and then we went a
 2 second time with my son, or that was indeed our -- our
 3 first visit there.
 4 Q. Okay. I follow you. There may have been a
 5 trip where it was just you and your wife, and then a
 6 subsequent trip that also Jeffery came along on?
 7 A. Exactly.
 8 Q. Okay. How many trips did you make, in total,
 9 to the Mississippi property in, say, the first couple of
 10 months after the storm?
 11 A. Five.
 12 Q. And after initially seeing the extent of the
 13 damage, what were y'all doing at the property on the
 14 subsequent visits?
 15 A. Crying.
 16 Q. Did you ever find items of personal property
 17 that you were able to recognize and salvage from the loss?
 18 A. There's a table pictured in the foyer, the
 19 downstairs foyer.
 20 Q. Sure.
 21 A. It's a -- an iron laid table with a tile top.
 22 Q. On the bottom of page 368?
 23 A. And that is the only thing that we salvaged.
 24 (Witness cries.)
 25 (Off the record.)

1 A. And a couple of dishes.
 2 Q. (By Mr. Tucker) My question, just whenever
 3 you're ready --
 4 A. No.
 5 Q. -- about --
 6 A. I'm --
 7 Q. -- the --
 8 A. -- I'm good. I'm good.
 9 Q. The question about the iron table would be
 10 whether you found it there near the slab, or whether it
 11 was located in some adjacent lot or somewhere else?
 12 A. It was -- as I recall, on the slab, but it was
 13 certainly there on my property, and there were other
 14 things. There were -- a golf cart, as you can see in the
 15 picture, and -- and the handle -- my son is holding the
 16 handle of a riding lawnmower. So there was some
 17 recognizable things, but the table was the only thing that
 18 was of any value.
 19 Q. Right. Okay. When did you first contact State
 20 Farm in regards to the Mississippi loss?
 21 A. I -- I am certain that I did it shortly after
 22 the visit via a Baton Rouge office.
 23 Q. Okay. Some folks, for example, in Mississippi
 24 went to a tent or an emergency set-up. Y'all were able to
 25 go to the Baton Rouge office?

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1 A. Since I was living there, that's where we went.
 2 Yes.
 3 Q. Describe for me as sort of a series of events
 4 after that from your --
 5 A. Uh-huh (affirmative).
 6 Q. -- recollection. You report the loss at the
 7 Baton Rouge office. What's the next significant event?
 8 A. I -- I was given some money, I think, on both
 9 properties for loss of use. And I had to eventually
 10 refund the Mississippi dollars because it was not my
 11 primary. I don't -- I don't follow the question so good.
 12 Q. Sure. I understand. When you reported to the
 13 Baton Rouge, Louisiana, office, did you describe the loss
 14 at that time as being a total loss and only a slab
 15 remaining --
 16 A. Well --
 17 Q. -- things of that nature?
 18 A. I -- I don't -- well, I don't know how it
 19 presented it to them, but I told them, you know, it was --
 20 it was basically gone, just like everybody else's. And
 21 did they -- I -- you know, I filed a claim on flood. I
 22 filed a claim on homeowner's. And they pretty much -- I
 23 say immediately, but certainly happy with the -- the flood
 24 response and had those dollars available. I was going to
 25 say to purchase the condo -- I already purchased it with a

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1 letter of credit from a -- Omni Bank was wonderful.

2 Q. Okay. You're getting to the answer of what I
3 was trying to --

4 A. Okay.

5 Q. -- inquire about, which is after the report and
6 you had given a description to the Baton Rouge office as
7 to what you had seen at the loss --

8 A. Right.

9 Q. -- at that time then was the next event -- was
10 it contact by a flood adjuster?

11 A. Yes.

12 Q. And that contact was made by phone?

13 A. Correct.

14 Q. And there was a discussion, for example, as to
15 a general estimate as to value of contents?

16 A. Correct.

17 Q. And once you hit a sufficient number that it
18 exhausted the available contents coverage, he said, hey,
19 hold off, you don't even need to go any further. I can't
20 pay more than my limits. Right?

21 A. We -- we were past it at the time, and he said,
22 yes, that -- that's enough. He said, there's depreciation
23 in there, too, so you have more than enough. Stop there.
24 We can do this.

25 Q. Right. And he didn't withhold depreciation on

1 Q. Okay. And when you received that letter, did
2 you contact State Farm to discuss it?

3 A. I made numerous calls to Steve Saucier's office
4 that were not -- none were returned. I was also dealing
5 with putting my businesses back together, my issues with
6 my home, my Verde property, and taking care of my family,
7 and I just let that slide while I addressed the more
8 pressing issues.

9 Q. Okay. Did you ever hear back from Mr. Saucier?

10 A. No. Uh-uh (negative).

11 Q. Did you ever make any contact with State Farm
12 again in regards to the denial of the homeowner's claim?

13 A. No.

14 Q. Okay. Would the next significant step be --
15 did you attempt mediation or reevaluation of the claim?

16 A. I did not attempt a mediation or reevaluation
17 because of those issues I just mentioned. That I was
18 dealing with this, and I thought there was -- there would
19 be time to address that. In -- in the -- at some point
20 State Farm contacted me and offered me a -- a settlement
21 of -- I -- somewhere in the \$27,000 range, if I remember
22 correctly, and -- and then I told them that was insulting,
23 I guess. Yeah.

24 Q. I'm going to show you a document. It's --

25 A. Sure.

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1 the flood payments, right? He paid you the full amount of
2 the limit?

3 A. Because the figure was higher than the limit.

4 Q. Yes, sir, exactly. I understand.

5 A. Yes.

6 Q. All right. So while the flood adjuster and you
7 are -- there's some dealings there, and then --

8 A. Uh-huh (affirmative).

9 Q. -- a check is tendered. Was it some time
10 before somebody contacted you about the homeowner's claim?

11 A. He was the homeowner guy, also.

12 Q. Okay. He told you I was going to -- he was
13 going to look at both policies?

14 A. Correct.

15 Q. All right. Did he provide you with any
16 expectations about coverage under the homeowner's policy?

17 A. He said they would review it. He alerted me
18 that I was not entitled to any --

19 Q. ALE?

20 A. -- ALE. And he said that they would be working
21 on that part, and they would be in touch.

22 Q. Okay. What was the next event in the
23 adjustment?

24 A. I do believe I got my flood checks, and then I
25 got a letter denying my homeowner's.

1 Q. -- titled "Mississippi Katrina Resolution
2 Form" --

3 A. Uh-huh (affirmative).

4 Q. -- and it's part of plaintiffs' production,
5 Spansel v. State Farm 0273 through 276. I just want you
6 to take a look at it, Mr. Spansel, and tell me --

7 A. Uh-huh (affirmative).

8 Q. -- if you recognize that document.

9 MRS. HURDER: (Examining.)

10 A. (Examining.) Okay.

11 Q. (By Mr. Tucker) Do you, in fact, recognize
12 that document?

13 A. Yes.

14 Q. And is that your signature and your wife's
15 signature on the fourth page?

16 A. That is correct.

17 Q. Okay. The dates of those signatures -- is it
18 June of 2007?

19 A. That is correct.

20 Q. Okay. The offer of 27,000 -- did that come
21 after your submission of these Katrina resolution forms?

22 A. That, I don't know, but I'm sure you -- you
23 would know that better than me.

24 Q. Okay. My suspicion is that that's a response
25 to your submission of these resolution forms, but I wasn't

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1 sure if that would also be your recollection that you
2 submitted this information and then got that offer.

3 A. Oh, I have no recollection of that -- the --
4 the -- the time -- the timing of that.

5 Q. Okay. Is it still correct, as represented on
6 the third page of this document, that you've received no
7 moneys from any of other source for this loss? My
8 examples being the MDA or the SBA.

9 A. No, nothing.

10 Q. Okay. Before hiring your attorneys, did you
11 ever retain a public adjuster or someone in an attempt to
12 negotiate some sort of a compromise with State Farm?

13 A. No.

14 Q. Did you ever retain any sort of a contractor or
15 an engineer or anyone to give you an opinion as to what
16 caused the loss?

17 A. No.

18 MR. TUCKER: Let's make this number four.

19 MRS. HURDER: (Nods head affirmatively.)

20 (Exhibit 4 marked for identification.)

21 Q. (By Mr. Tucker) Let me pass you a document
22 now, Mr. Spansel, dated September 28th, 2005. It's made
23 out to you at the Baton Rouge condo address.

24 A. Okay.

25 Q. It is produced by plaintiffs in their

1 letter is worded, it's --

2 Q. You presume --

3 A. -- probable --

4 Q. -- so?

5 A. -- but I -- I -- I don't recall specifically.

6 Okay.

7 Q. Did you understand as you read this letter that
8 State Farm was identifying certain causes of loss that
9 were not going to be covered under your homeowner's
10 policy? That that was the purpose for them to quote these
11 sections from your policy to identify causes of loss that
12 were not covered by the homeowner's policy? When he says,
13 unfortunately --

14 A. Well --

15 Q. -- these causes of --

16 A. I --

17 Q. -- loss are not covered, you understood that he
18 was alerting you to the fact that there would be excluded
19 causes of loss under the homeowner's policy?

20 A. Well, I see how the -- the letter reads. I
21 wasn't in agreement with that, but I certainly was in a
22 position where my flood payments were -- were needed.

23 Q. When the property at Sandy Hook had flooded a
24 couple of years before Katrina --

25 A. Correct.

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1 production, Spansel v. State Farm 0294 through 296.

2 MRS. HURDER: (Examining.)

3 A. (Examining.) I -- I find this -- well, that
4 was my adjuster, Avery Murrah. "Based on our phone
5 conversation and other facts, our investigation showed
6 that some of your property was damaged as a result of a
7 storm surge, wave wash, and flood. Unfortunately that
8 damage to your property is not covered under" your -- oh,
9 they're -- they're addressing my homeowner's policy.
10 Okay. Yes, I do. That looks familiar. Yes.

11 Q. (By Mr. Tucker) When you told me earlier that
12 after you received your payment for the flood damage --

13 A. Right.

14 Q. -- you then also received a denial of your
15 homeowner's coverage?

16 A. Correct.

17 Q. And you noticed, obviously, that this purports
18 to have included your payments, right?

19 A. That's quite possible. Yeah.

20 Q. And so this letter -- do you recall receiving
21 it at that time contemporaneous with the receipt of the
22 flood --

23 A. Do --

24 Q. -- payments?

25 A. -- I recall receiving it, no. The way that

1 Q. -- you made a claim at that time under your
2 flood policy?

3 A. That is correct.

4 Q. Did you understand that those losses were only
5 compensable under your flood policy? That they were not
6 compensable under your homeowner's policy?

7 A. Yes. Yes, I did.

8 Q. Okay. And did you understand this letter and
9 Mr. Murrah to be saying that, again, your flood losses are
10 only compensable under your flood policy; they're excluded
11 from coverage under your homeowner's policy?

12 MRS. HURDER: Objection. Putting words into
13 the witness's mouth.

14 Q. (By Mr. Tucker) My question is did you
15 understand that? You understood at the time of your first
16 flood loss which policy to make the claim under?

17 A. I -- I do understand that those are individual
18 policies, and based on the event, you -- you file a claim
19 with a specific policy. When I flooded, it was --
20 obviously it was rising water, and there was no wind that
21 affected by house. My roof was intact. In -- in the case
22 of Katrina, you -- you would have to have an eyewitness
23 to -- to know exactly what happened. And -- and that is
24 not very untypical of how State Farm went about their
25 business early -- in the early days of Katrina. You're

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1 suggesting that I should not have cashed my -- or
 2 deposited my flood claim money?
 3 Q. No, sir. My suggestion would be that in order
 4 to recover under both policies, there would need to be
 5 damage covered by both policies.
 6 A. Well, in my opinion, there -- there -- there
 7 was damage covered by both policies.
 8 Q. Okay. And we're getting to it. My next
 9 question would be, you would agree with me that there was
 10 flood damage at the property, would you not?
 11 A. Yes.
 12 Q. You made a flood claim. You collected flood
 13 money. You agree with me there was flood damage. You
 14 also take the position that there was wind damage --
 15 A. Correct.
 16 Q. -- is that correct? Okay. And so we could
 17 agree that there was at least this amount, 148,4 in
 18 dwelling caused by flood, and at least \$100,000 in
 19 contents losses caused by flood, correct?
 20 A. At least that number.
 21 Q. Okay. And then what we're here about today is
 22 something in excess of those amounts that you would
 23 contend were caused by wind? Fair enough?
 24 A. Fair enough.
 25 Q. Okay. To be frank with you, some folks, you

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1 know, would tell me that there was no flood at their
 2 property, you know, that it was all a wind loss. But I
 3 need to clarify what sort of testimony I can expect from
 4 you as a witness if this case were to proceed to a trial.
 5 MR. TUCKER: Let's make this the fifth exhibit.
 6 (Exhibit 5 marked for identification.)
 7 Q. (By Mr. Tucker) Since retaining your
 8 attorneys, have you met with any expert or engineer or
 9 meteorologist who they may have retained to conduct any
 10 sort of an investigation into your loss?
 11 A. No.
 12 Q. Okay. Have you spoken with anyone of that
 13 nature by telephone?
 14 A. No.
 15 Q. Okay. Have you reviewed any reports or other
 16 materials which may have been generated by any such
 17 person?
 18 A. No.
 19 Q. You described for me at the Verde house in
 20 Kenner many adjusters being involved in the process.
 21 A. (Witness nods head affirmatively.)
 22 Q. Was that also the case for the Mississippi
 23 loss?
 24 A. No.
 25 Q. Did you only deal with Mr. Murrah?

1 A. Yes.
 2 Q. Okay. And obviously you made calls to
 3 Mr. Saucier?
 4 A. Correct.
 5 Q. Okay. Did Mr. Murrah ever offer to meet you in
 6 person?
 7 A. I offered to meet him, at which time he -- he
 8 said it wasn't necessary.
 9 Q. Okay. Did he explain why he didn't think that
 10 that would be necessary?
 11 A. No.
 12 Q. Okay. Was Mr. Murrah always professional and
 13 courteous with you?
 14 A. The two times I spoke with him on the phone, he
 15 was very much so.
 16 Q. Okay. Did you record any conversations you may
 17 have had with Mr. Murrah?
 18 A. No.
 19 Q. The initial payment that you described
 20 receiving at the Baton Rouge office -- do you recall it
 21 being \$2,500?
 22 A. If my memory serves me correctly, I received
 23 two equal payments. I do not remember the exact amount.
 24 Q. Okay. And you told me it had to be refunded.
 25 Did you actually write out a check and turn it back over?

1 Is that what you meant by refunded?
 2 A. You know, that -- that is my recollection that
 3 I received two payments, and y'all would certainly have --
 4 you -- you -- y'all would have more knowledge of that
 5 or -- at -- at hand than -- than I do. And how they got
 6 it back, I -- I doubt a wrote a check. I think it was
 7 deducted from some future payment.
 8 Q. Yes, sir. Sort of like an advance?
 9 A. Yes.
 10 Q. Okay. So it wasn't -- you know, it wasn't a
 11 gift? It was an advance?
 12 A. It was an advance.
 13 Q. Okay. Were you aware that there was a
 14 mediation program following Hurricane Katrina which
 15 provided an opportunity for insureds to try and resolve
 16 their losses short of litigation?
 17 A. Yes.
 18 Q. Okay. Did you consider participating in that
 19 mediation program?
 20 A. I understood you would need a -- an engineer, a
 21 meteorologist, have video or have something compelling.
 22 None of which I had. And State Farm was in the news on a
 23 regular basis concerning their handling of Katrina claims
 24 in Mississippi, in particular. And I chose to put my time
 25 and efforts in rebuilding my business and my home and

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1 chose to deal with this later when -- when the air kind of
2 cleared. It was only after receiving the offer that I
3 thought I would eventually receive, even though I got that
4 denial letter, and -- that I -- and that -- and that was
5 after many, many months did I decide to take this
6 particular route. It was not my first choice.

7 Q. Did you talk with anyone who participated in
8 the mediation program in Mississippi about their
9 experience?

10 A. I did talk to a -- a friend of mine,
11 Dr. Charles Murphy. However, he came back to a house that
12 was -- he actually came back to a house.

13 Q. Okay. Did he describe a positive outcome or
14 have a negative experience as a result of the attempted
15 mediation?

16 A. I -- I -- I surely do not want to speak for
17 him, but the impression is that under his particular set
18 of circumstances, he was content with the outcome.

19 (Off the record.)

20 (A short recess was taken.)

21 Q. (By Mr. Tucker) Mr. Spansel, one of the
22 allegations included in the complaint, which your
23 attorneys prepared and which started the litigation,
24 addresses something called the hurricane deductible. Were
25 you aware that your policy contained or included a

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1 hurricane deductible? If you want, we can look, also, at
2 the --

3 A. It --

4 Q. -- Exhibit --

5 A. -- was in --

6 Q. -- 3.

7 A. -- 2005.

8 Q. You'll see here is where the deductible
9 information is on the left-hand side of that document.

10 A. I'm -- I'm going to -- yes. I -- I was aware
11 of it. And if you -- if you go back to -- which is the
12 one before the Ivan? I think that certainly Ivan prompted
13 all of the insurance companies to look at their policy
14 differently. Yes.

15 Q. What was your understanding as to what a
16 hurricane deductible meant?

17 A. Instead of a standard deductible that typically
18 applies to homeowner's policies, that a -- there would be
19 a percentage deductible.

20 Q. And that percentage would apply in the event of
21 a named storm, a hurricane?

22 A. Correct.

23 Q. Okay. You were not under any impression that
24 the hurricane deductible meant you had coverage for
25 hurricane losses?

1 A. Say that again.

2 Q. Sure. I think --

3 A. That's --

4 Q. -- it's as funny as you do.

5 A. Yeah. That's pretty tricky.

6 Q. Okay. The allegation in the complaint and the
7 allegation made elsewhere in --

8 A. Okay.

9 Q. -- this litigation is that this thing called a
10 hurricane deductible --

11 A. Right.

12 Q. -- meant that you were covered in the event of
13 a hurricane for any damages that might happen. Did you
14 understand that to be what the hurricane deductible was?

15 A. Surely y'all would not be offering or writing
16 in a hurricane deductible if you did not plan to keep that
17 deductible when you paid me for hurricane damage.

18 Q. Yes, sir.

19 A. Okay.

20 Q. And, in fact, was it your understanding, that
21 in the event of a hurricane your deductible was going to
22 be higher than it normally would in the event of some
23 other loss?

24 A. Yes.

25 Q. Okay. And so there was no misapprehension that

1 it in some way created coverage? It was just a larger
2 deductible in the event of a hurricane?

3 A. I wouldn't put it quite like you put it. I
4 bought this policy. It -- it covered hurricanes. It --
5 certainly -- wind damage, a tornado -- it -- it covered a
6 casualty loss. This little caveat here in case of a
7 hurricane, there would be a higher deductible. Okay.
8 Y'all experienced high losses the previous years. That's
9 legit.

10 Q. Okay. I think we're on the same page. I
11 follow you.

12 MRS. HURDER: Are you done with your answer?

13 THE WITNESS: Yes.

14 MRS. HURDER: Okay. You get to finish if you
15 had something --

16 THE WITNESS: Oh --

17 MRS. HURDER: -- else --

18 THE WITNESS: -- well --

19 MRS. HURDER: -- to say, is my point.

20 THE WITNESS: Okay.

21 Q. (By Mr. Tucker) Oh --

22 A. Well --

23 Q. -- I'm sorry.

24 A. -- well --

25 Q. I thought (unintelligible) --

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1 A. -- well, I did -- I did have --
 2 MRS. HURDER: You looked like you had
 3 something --
 4 A. I --
 5 COURT REPORTER: One at a time.
 6 A. Okay. I did have one other thought. I said
 7 that is legit. The point is that when you purchase this
 8 policy, you're purchasing it for a number of casualty
 9 losses, and hurricane is one of them.
 10 Q. (By Mr. Tucker) Okay. You understood, did you
 11 not, that certain losses were excluded from homeowner's
 12 coverage?
 13 A. A flood event?
 14 Q. Yes, sir. We're having one now.
 15 A. Gee.
 16 Q. That's a lot of rain. Well --
 17 A. But I'll go on to say that Katrina was a
 18 hurricane.
 19 Q. Yes, sir.
 20 A. Okay.
 21 Q. Katrina was a hurricane. And is there any
 22 disagreement between us that part of the Hurricane Katrina
 23 event was a flood event?
 24 A. I like the way you phrased that. It -- part
 25 was.

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1 Q. Yes, sir.
 2 A. There was also another part.
 3 Q. Okay. And the homeowner's coverage is for the
 4 other part?
 5 A. That is correct.
 6 Q. Okay. And the fact that there's a hurricane
 7 deductible doesn't mean that it also covers the flood
 8 event?
 9 A. Oh, no.
 10 Q. That's the position that's been taken many
 11 times.
 12 A. I -- I --
 13 Q. You understand I'm just trying to --
 14 A. Okay.
 15 Q. -- make sure that you're not taking that --
 16 A. I'm aware --
 17 Q. -- position?
 18 A. -- that I have two separate policies.
 19 Q. Okay. And that the hurricane deductible
 20 doesn't mean that flood is covered by the homeowner's
 21 policy, if it's caused by a --
 22 A. You would --
 23 Q. -- hurricane --
 24 A. -- you --
 25 Q. -- related --

1 A. -- would --
 2 Q. -- flood?
 3 A. -- need a separate flood policy if you expect
 4 to collect on flood.
 5 Q. Okay. Thank you. I noticed in the photographs
 6 a number of trees on the property.
 7 A. Uh-huh (affirmative).
 8 Q. Were some trees downed as a result of the
 9 storm?
 10 A. I had -- I had a number of pine trees on the
 11 property, and I say a number -- I had greater than nine.
 12 Don't have that exact calculation. I also had some oak
 13 trees on the property. Some pines -- I think there was a
 14 pine that was uprooted and down, but most of my pines were
 15 snapped, and there should be photos of that in this...
 16 Q. Okay. Do you have any estimate as to the
 17 height at which those pines were snapped?
 18 A. Did -- okay. Do -- did I -- do I have that
 19 estimate? No. It --
 20 MRS. HURDER: And --
 21 A. There --
 22 MRS. HURDER: -- object --
 23 A. -- were --
 24 MRS. HURDER: -- to the extent it calls for
 25 speculation.

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1 A. But -- but I did view it, so I can -- I can
 2 answer that they were mid-trunk, mid -- mid -- they were
 3 pretty high. I -- I don't know exactly --
 4 Q. (By Mr. Tucker) Yeah.
 5 A. -- you know.
 6 Q. I understand. Let me give you something to
 7 compare it to. You know --
 8 A. Uh-huh (affirmative).
 9 Q. -- how sometimes folks are talking distance,
 10 they'll say football fields. Well, let's say if you're
 11 looking at these, are they one story up, two stories up?
 12 If you pictured a house next to those trees, are they two,
 13 three stories before the break, if you have an estimate?
 14 A. Yeah. I think it would depend on the height of
 15 the pine tree -- the -- the -- at the time of the storm,
 16 so I'm going to say it varies.
 17 Q. Were they broken at different heights?
 18 A. Yes.
 19 Q. Okay. It wasn't as though like one shear --
 20 you know, something had sheared them all at the --
 21 A. Well --
 22 Q. -- same height?
 23 A. -- Lucky, to be honest with you, I did not go
 24 out there and observe --
 25 Q. Fair enough.

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<p>1 A. -- that -- I had other issues on my mind, 2 but -- -- 3 Q. Sure. 4 A. -- I -- I do understand the question, but I 5 can't specifically answer it. 6 Q. Okay. Were there any downed trees that 7 actually were on the slab? 8 A. No. 9 Q. Okay. One of the other things that is often 10 claimed is emotional distress related to the way that 11 State Farm adjusted the loss or didn't. And my question 12 is: Are you of the opinion that you should be compensated 13 in part for emotional distress related to State Farm's 14 handling of your Hurricane Katrina loss in Mississippi? 15 A. If this deposition lasts any longer, maybe. 16 I -- I think it's -- it's a shame that I'm in this -- 17 years afterwards still dealing with it. (Witness cries.) 18 I don't know why I'm so -- I apologize. I am -- that 19 wasn't my intent when -- when I contacted an attorney. 20 I -- I wanted what was -- I wanted a fair settlement, a 21 just settlement. And I'm not looking for anything I don't 22 deserve or entitled to or paid for. 23 Q. The reason I asked the question about the 24 emotional distress is to follow up on the claim. If there 25 is one, what my question then becomes is whether any sort</p>	<p>1 back here at some point, but, no, I -- I have not drawn up 2 plans or contracted with anyone. No. I think it would be 3 premature. 4 Q. And similar to the contents loss -- 5 A. Yeah. 6 Q. -- the reason that I ask is to try to place 7 some sort of a figure on what we're discussing. There's 8 been a full payment under the flood, and -- 9 A. Right. 10 Q. -- the limits were very close, you know, the 11 amount of the homeowner's coverage was close to the amount 12 of the flood coverage, so -- 13 A. Okay. 14 Q. -- I'm trying to determine if you were, in 15 fact, underinsured or not. But you don't have any 16 information today to provide me that would say this is 17 what it will cost to put this house back as it was before 18 the storm? And that's okay, if the answer's -- 19 A. Yeah. 20 Q. -- no, but -- 21 A. No. The answer's no, and I do not know 22 building cost in Mississippi or what would be required, if 23 there's any code changes or -- no, I do not have that 24 answer. 25 Q. Okay. Have you cleaned the debris off of the</p>
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<p>1 of treatment has been sought. For example, have you seen 2 a counselor or a psychiatrist or even a family physician? 3 And if that becomes a part of the claim, then it's 4 something I either need to address or be able to -- 5 A. No, I have not sought -- and I'm -- no, I 6 have -- I have -- I have not sought anyone. I -- you 7 know, it's -- it's a distressing issue to -- to lose 8 something, and it's no fault of State Farm's that I felt 9 was going to be a legacy and stay in the family. And 10 it's -- but it is distressing to have to -- I've never 11 sued anyone, ever. I don't like the position that y'all 12 have -- have put me in. (Witness cries.) 13 MRS. HURDER: And for the record, the plaintiff 14 is visibly upset. 15 Q. (By Mr. Tucker) The only other question, I 16 guess, I really have for you at this time, Mr. Spansel, is 17 whether any estimates for repair or rebuilding have been 18 obtained from any sources by you. Do you understand my 19 question? 20 A. Yes. At -- at this point it's -- you know, 21 maybe I -- there should have been some homework that I 22 would have done to bring in, you know, a document to make 23 my case look better. But pretty much until this is 24 resolved, it's -- it's -- nothing I can really proceed 25 with good conscience. We -- we will be back, and we'll be</p>	<p>1 property? 2 A. We -- we made -- let's see. If I remember 3 right, the -- I think the Corps of Engineers came in at 4 some point after Katrina and cleared the slab and -- 5 and any downed trees. Subsequent to that, to, I guess, be 6 a good neighbor and to expedite the recovery of the area, 7 (witness cries), I -- I had a -- a company come in and 8 remove my slab and drive -- and -- and -- and cut down the 9 pine trees and -- and make -- make the property 10 presentable, I guess. 11 Q. Okay. How much did you pay for that work? 12 A. Let's see. We're in 2009 -- 2007 -- I -- I -- 13 I think was 7,500, but I -- I do have that receipt. 14 And -- and it was from a company that had a sign tacked to 15 a telephone pole or something. 16 Q. Okay. Had you received an opinion from anybody 17 as to whether the slab was reusable or ruined? 18 A. Oh, no. No, I did not. 19 Q. Okay. And I believe you told me -- you said, 20 we'll be back. 21 A. Yeah. 22 Q. Is it your intent to rebuild a home at this 23 property? 24 A. We would -- we would love to. 25 MR. TUCKER: Okay. Mr. Spansel, I very much</p>

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1 appreciate your time today. I thank you for being here
 2 and cooperating with me like you did. I have no further
 3 questions. I tender the witness.
 4 EXAMINATION BY MRS. HURDER:
 5 Q. I have just a couple of questions.
 6 A. Okay.
 7 Q. I know it's been a long morning.
 8 A. Oh, no. No. I'm -- I'm -- I apologize again
 9 for -- this is typically not me, but...
 10 MR. TUCKER: No need.
 11 Q. (By Mrs. Hurder) It's a difficult experience
 12 to recount. To be brief, Mr. Spansel, was there anything
 13 else about State Farm's handling of your claim that you've
 14 not expressed already that you were dissatisfied with?
 15 A. You know, I think at -- at that -- at the time
 16 when I was dealing with this, I mean, State Farm was in --
 17 in the news and not so much in a good light. And -- and I
 18 knew people were doing mediation, but I -- I never really
 19 had -- I never had a video, or -- or there was nothing
 20 standing to get an expert witness. So I -- I -- and I
 21 chose at that time just to see how things would -- would
 22 play out in -- with the -- the hope that at some point
 23 they would -- they -- State Farm would -- oh, gosh -- that
 24 they -- they would come around. I don't -- I don't know
 25 if that's the right word. If it -- I'm having a hard time

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1 expressing. I -- I was hoping, I guess, for some type of
 2 settlement offer to which I eventually got, but it was
 3 then very disappointing. And I -- I never -- still never
 4 had ammunition in the sense of the things, I guess,
 5 that -- that they were looking for to -- to go back to
 6 them to get them to look at it with a -- oh, I apologize.
 7 Q. That's okay.
 8 A. Look at it with a better eye based on what I
 9 lost, and so the whole process is -- is kind of --
 10 the whole -- the whole process is disappointing. I'm
 11 sorry for rambling there, but I could have said that much
 12 quicker, but -- okay.
 13 Q. No problem. You mentioned there might have
 14 been additional renovations to the house between the time
 15 you bought it and prior to Hurricane Katrina that you
 16 had --
 17 A. Well --
 18 Q. -- not mentioned?
 19 A. -- the -- the -- the only other renovation
 20 was -- we had the initial renovation when -- when I
 21 collected from -- from the -- the storm/hurricane. I --
 22 the name -- it was -- it was definitely named. I don't --
 23 on -- on the flood, and I think the -- it was 31,000 that
 24 we had. We -- we took that as an opportunity to
 25 completely renovate the downstairs because at the time of

1 purchase the -- the -- the renovation was upstairs, you
 2 know, porches upstairs and painting throughout, but we --
 3 we did very little to the ground floor. This gave us an
 4 opportunity then -- I was -- I had to cut out sheetrock,
 5 so we raised electrical outlets. We put a kitchen in
 6 downstairs. We renovated the bath area, put in a shower
 7 and ceramic tile. And -- and ended up spending close to
 8 50, which was obviously over and above the -- the 31 that
 9 we received. And so it -- it was completely redone at --
 10 at the time of the -- at -- at the time of Katrina. Yeah.
 11 Q. Okay. So sometime around 2002, you spent
 12 approximately 50,000 renovating the downstairs?
 13 A. And -- and I got -- you know, it was a
 14 definitely September event. If you -- if we go and look
 15 this up and we find that it's September of 2003, that
 16 would not be unreasonable. It was '2 or '3 when we did
 17 this renovation. Yes. Uh-huh (affirmative).
 18 Q. One last thing, I'd like to see Exhibit 5.
 19 (Mr. Tucker tenders document.)
 20 MRS. HURDER: Thanks.
 21 Q. (By Mrs. Hurder) Okay. If you would please
 22 read the second and third sentence of that first paragraph
 23 out loud.
 24 A. Okay. This is addressed to me. "The damage to
 25 your property may have been caused by wind and water. We

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1 are continuing to investigate that portion of your loss
 2 caused by wind."
 3 Q. Thank you. And what was the date of that
 4 letter?
 5 A. September 28, 2005.
 6 Q. Okay. And it was signed by, you said, your
 7 adjuster Avery Murrah; is that correct?
 8 A. That is correct.
 9 Q. Okay. Did you ever hear anything else from
 10 Mr. Murrah subsequent to that letter regarding his
 11 investigation, ongoing investigation?
 12 A. No.
 13 MRS. HURDER: Okay. Thank you. I tender the
 14 witness.
 15 FURTHER EXAMINATION BY MR. TUCKER:
 16 Q. Yeah. I'm sorry, Mr. Spansel. I guess Exhibit
 17 D to the complaint that was filed in this matter is
 18 another letter, and it's -- I agree it's an incomplete
 19 letter dated in October 6th of 2005.
 20 A. Okay.
 21 Q. You're welcome to take it. Yet, again, though,
 22 is that not another correspondence from State Farm
 23 following up on the wind claim? And it's part of what was
 24 provided by the plaintiffs in this case.
 25 A. Well, it -- it -- that is correct. This is

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<p>1 dated October 8th, and it's -- it's slightly different 2 than the September 28th. But it -- it also says, "This 3 follows our conversation regarding your property where we 4 discussed the damage to your second home residence. The 5 damage to your property may have been caused by wind and 6 water. We are continuing to investigate that portion of 7 your loss caused by wind." 8 Q. Would it be your recollection, Mr. Spansel, 9 that after receiving this September letter from State 10 Farm, that you contacted Mr. Murrah and had a discussion 11 about the denial of the claim and then an additional 12 letter was sent to you in October just to follow up again 13 on not only providing the basis for the denial, but the 14 fact that if new information was presented, State Farm 15 would be available to consider that? 16 A. I can't say for sure that there was no contact. 17 I would imagine I -- and it's speculation, but that I may 18 have contacted them based on this letter and said, you 19 know, how -- how can you deny that? It -- it's funny how 20 this is worded, though. This says "Unfortunately" -- and 21 I'm referring to the -- the letter of the -- of September 22 28th -- "Unfortunately that damage to your property is not 23 covered under the policy identified above." Then we go 24 back about a week later, and the October 6th letter say, 25 "We are continuing to investigate that portion of your</p>	<p>1 possible that I did -- now, you know, we're going back 2 four years. But it's -- thereabouts -- you know, I guess 3 it is possible that I did call them looking for an 4 explanation. No, I did not have anything else for him to 5 consider. You have to remember we're -- we're talking a 6 month after the storm. 7 Q. Yes, sir. 8 A. What would I have, but -- 9 Q. But State Farm had advised that their 10 investigation remained open as to the wind, and that 11 additional information could be provided. The contents 12 list was not provided. Building estimates were not 13 provided. Expert opinions were not provided. Additional 14 information was not provided after the date of these 15 letters, was there? 16 A. I never took this -- this wording to be that -- 17 that they wanted estimates of rebuilding. If I've already 18 gave them an estimate in October of rebuilding on that 19 property, I mean, that -- that would be a little foolish. 20 Codes weren't in. Who's going to -- it -- that number 21 would have been astronomical. I -- I took this as y'all 22 were looking for some proof that wind did it, and I -- I 23 don't have that proof. And today, I don't have that 24 proof, so I -- I -- that -- that doesn't seem like a -- a 25 fair assessment of this letter, you know. We're -- we're</p>
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<p>1 loss caused by wind," so it seems to be contradictory. 2 They denied on the 28th, and they're still investigating 3 it on the -- on the 6th. 4 Q. Yes, sir. I'll just point out to you that 5 that -- 6 A. Sure. 7 Q. -- unfortunately language -- 8 A. Oh, no. That is also in there, but that's the 9 "Unfortunately that damage to your property is not covered 10 under the policy...above," yeah, is in both letters. 11 Q. Yes, sir. 12 A. Anyway, to answer your -- your question, I 13 guess, yeah, here it -- there is another letter. 14 Q. And would you tell me the last thing that's 15 written in the letter of September, the Exhibit 5? It's 16 on that third page. It's the last thing that Mr. Murrah 17 concludes in his letter. 18 A. "If you have additional information you would 19 like us to consider you have not previously submitted, or 20 if you desire" an "explanation of this letter, please 21 contact me." 22 Q. And was any additional information ever 23 submitted to State Farm after that date? 24 A. Well, I guess seeing this October 6th letter -- 25 "or if you desire any explanation," so it is then quite</p>	<p>1 in 2009, and we can look back, and, you know, read it that 2 way. When I got it, I wasn't reading it that way that he 3 wanted a contents list and a -- an estimate to rebuild. 4 Q. No, sir. 5 A. Well -- 6 Q. But my only point is simply that State Farm had 7 indicated the investigation was open, and it ended the 8 letter with a request for any additional information you 9 might have. Now whether that information was available to 10 you or not -- 11 MRS. HURDER: On September 28th they had said 12 that. 13 MR. TUCKER: Well, you know, I wasn't provided 14 by y'all with a complete October 6th letter, but I promise 15 you that's the language that closes that letter, as well. 16 A. We're only talking a week's different -- 17 we're -- it says the same -- here's the 28th. Here's 18 October 6th. 19 Q. (By Mr. Tucker) Yes, sir. 20 A. What would have changed on my part? 21 Q. No, sir. You're -- 22 A. What would have been expected of me then? 23 Q. The only reason I asked another follow-up 24 question of you was that it seemed to me the point had 25 been made that State Farm didn't make any further contact</p>

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1 with you about their investigation. And I just want the
2 same point to be made for my client that, in fact, no
3 additional information was provided by the plaintiffs in
4 this case, either, prior to suit being filed. The only
5 thing that was provided was the Katrina resolution form,
6 which we attached here as Exhibit 4, and apart from that,
7 I know of no other information --

8 A. No --

9 Q. -- that --

10 A. -- not.

11 Q. -- you've provided --

12 A. No --

13 Q. -- to --

14 A. -- I --

15 Q. -- State Farm?

16 A. -- I -- okay. Okay. I didn't know exactly
17 where you were headed with that. That -- that is --
18 that's correct. Yes.

19 Q. I don't mean to belabor it, but it's --

20 A. But -- but my -- once again, I was -- and then
21 this may be very naive on my part. But I wasn't aware
22 that the additional information that y'all were requesting
23 was -- my claim was denied, so this additional information
24 is what -- I'm going to put together a contents list or go
25 get a contractor and have him submit a -- a estimate to

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1 rebuild when the -- when -- when the -- the claim is
2 denied? It -- it implies to me that you're looking for
3 some magic video eyewitness testimony or some -- or
4 something that -- that it's not in my ability to provide
5 you.

6 MR. TUCKER: No further questions for you, sir.

7 Again, thank you for your time today.

8 (Time Noted: 12:58 p.m.)

CERTIFICATE OF DEPONENT

1 I, CHARLES SPANSEL, deponent in the deposition
2 taken in the herein styled and numbered cause, certify
3 that I have examined the foregoing 116 pages as to the
4 correctness thereof, and that after reading said pages, I
5 find them to contain a full and true transcript of the
6 testimony as given by me on July 14, 2009, in Bay St.
7 Louis, Mississippi.

8 Subject to those corrections listed below, if
9 any, I find the transcript to be the correct testimony I
10 gave at the aforesaid time and place.

11 Page Line Comments

12
13
14
15
16
17 This the day of , 2009.

18
19 CHARLES SPANSEL

20 State of Mississippi

21 County of

22 Subscribed and sworn to before me, this the
23 day of , 2009.

24 NOTARY PUBLIC

25 My Commission Expires:

CERTIFICATE OF COURT REPORTER

1 I, Sherry L. Purvis, Court Reporter and Notary
2 Public, in and for the State of Mississippi, hereby
3 certify that the foregoing 116 pages contain a true and
4 correct transcript of the testimony of CHARLES SPANSEL, as
5 taken by me in the aforementioned matter at the time and
6 place heretofore stated, as taken by stenotype and later
7 reduced to typewritten form under my supervision by means
8 of computer-aided transcription.

9 I further certify that under the authority
10 vested in me by the State of Mississippi that the witness
11 was placed under oath by me to truthfully answer all
12 questions in the matter.

13 I further certify that I am not in the employ
14 of or related to any counsel or party in this matter and
15 have no interest, monetary or otherwise, in the final
16 outcome of this matter.

17 Witness my signature and seal this the ____
18 day of July, 2009.

19
20 SHERRY L. PURVIS, CSR #1566

21 My Commission Expires:

22 May 5, 2010